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Japan

Tokyo's Geneva Auto Talks Proposal Disclosed

OW2106021695 Tokyo YOMIURI SHIMBUN in Japanese 20 Jun 95 Morning Edition p 1

[FBIS Translated Text] Both the Japanese and U.S. Government disclosed their proposals to be brought to subcabinet-level auto talks in Geneva on 22 and 23 June. The Japanese proposal calls for individual Japanese automakers' announcements on their overseas production plans called "global visions" in response to the two governments' expression of hopes for expanded overseas production and procurement. On the other hand, the U.S. proposal insists individual Japanese automakers should localize their overseas plants and internationalize their facilities at home, but a definite numerical target is not an absolute necessity for the bilateral agreement. In appearance, there are no longer great gaps between the Japanese and U.S. proposals. The Japan-U.S. auto trade negotiation is going to reach its climax to avoid an announcement of U.S. sanctions scheduled for 28 June.

According to the Japanese proposal disclosed, the Japanese and U.S. Governments should release a joint statement that "the two governments hope Japanese and U.S. automakers will attach importance to two principles — 1) Japanese automakers should promote a shift of production to overseas plants and 2) they should localize the plants located overseas."

Following this, individual Japanese automakers should announce their "global visions." But the "global visions" should not include definite figures of local parts procurement. There should be a clear notation that construction of production facilities and parts procurement are intended not only for the United States, but also for European and Asian nations.

As tangible measures for promoting overseas production, the "global visions" should seek expansion or reinforcement of production, facilities, the number of models handled, exports, and research and development functions of overseas facilities.

Moreover, Japanese automakers should clarify their policies to increase the local content ratios by expanding local procurement or production of main parts. At home, they should try their best to expand imports of aftermarket parts.

Apart from the "global visions," individual automakers should release statements to reconfirm their dealers' "freedom to handle cars built by other makers" to encourage an increase of foreign car dealers. Upon release of the statements, the Japanese and U.S. Governments should issue welcome statements.

Automakers To Increase Overseas Production

OW2106111695 Tokyo KYODO in English 1104 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Five major Japanese automakers plan to boost overseas production and procurement in a move to avert threatened U.S. sanctions over deadlocked automotive trade talks, industry sources said Wednesday [21 June].

The sources said the firms, led by Toyota Motor Corp., Japan's top automaker, have completed the outlines of their voluntary programs as the two nations make a last-ditch attempt at a breakthrough in subcabinet-level talks in Geneva Thursday and Friday.

The companies will put the final touches to their programs and make an announcement if they feel it would lead to progress in the auto negotiations, they said.

The sources, however, said no announcement will be made if the United States insists on numerical targets for local procurement by Japanese automakers.

Washington has threatened to impose punitive tariffs on Japanese luxury car imports June 28 if no settlement is reached.

Besides Toyota, the Japanese makers consist of Nissan Motor Co., Mitsubishi Motors Corp., Honda Motor Co. and Mazda Motor Corp.

Their programs center on expansion of automobile and engine production not only in the U.S. but other parts of the world, including Europe and Asia, the sources said.

They said the companies will also boost procurement of parts and components from local suppliers.

They said Toyota's plan calls for boosting vehicle production in the U.S. and Canada to 900,000 in 1998 from about 580,000 in 1994 and doubling output in Britain .

The company will study the possibility of establishing new production facilities in the U.S., they said.

Nissan, Japan's No. 2 automaker, plans to produce 200,000 engines in the U.S. starting in 1997 and raise the local content ratio at its U.S. plants to around 80 percent from the present 60-70 percent, the sources said.

Honda plans to expand passenger car production in North America and Britain. Its engine production in the U.S. will be raised to 750,000 units by 1998 from the present 500,000, they said.

The local content ratio at its North American operations will rise from 82 percent to 90 percent, they said.

Mitsubishi will also expand passenger car production at its U.S. plant, but the sources declined to disclose details of procurement from local parts suppliers.

Mazda will expand procurement of auto parts from foreign suppliers as its overseas production is comparatively low.

The sources said the five makers will offer to cooperate with foreign automakers to expand their dealership networks in Japan.

In Washington, automobile industry sources said Japanese automakers will reject U.S. demands for numerical criteria and insist that the Japanese Government has nothing to do with their voluntary programs.

Kuriyama Expresses Concern About Auto Dispute

OW2106050595 Tokyo KYODO in English 0422 GMT 21 Jun 95

[FBIS Transcribed Text] Honolulu, June 20 KYODO — Japanese Ambassador to the United States Takakazu Kuriyama expressed grave concern Tuesday [20 June] about the Japan-U.S. row over auto trade, saying it could undermine the mutual confidence the two nations have built up.

Kuriyama defended Japan's efforts to cut its trade surplus, open its markets further and deregulate its economy as demanded by the U.S. and urged Washington to do what it should do to that end.

In a speech at a symposium sponsored by the America-Japan society, Kuriyama said there will be no progress even if Japan changes itself without action the U.S. should take.

Saying that misunderstanding of each other's culture and society is to blame for recent problems in the bilateral relationship, Kuriyama called on Americans to understand their culture is not a universal one.

Kuriyama stressed the need for both countries to promote broader exchanges so as to understand each other's differences and similarities.

Auto Association Officials Preview Auto Talks

OW2106115395 Tokyo Asahi Newstar Television Network in Japanese 0307 GMT 20 Jun 95

[News conference by Masami Iwasaki, chairman of the Japan Automobile Manufacturers Association, and Vice Chairman Takao Tominaga with unidentified reporters in Tokyo on the morning of 20 June — recorded; from the "Flash Report: News Conferences" program]

[FBIS Translated Text] [Reporter] Japan-U.S. vice ministerial talks on the auto issue are scheduled to start on 22 June. The automobile industry has so far stated that it will support the government's position. Is there any change in its stance of supporting the government's position? If you have any requests for the government at present, please let me know. It seems that there have been various moves to seek compromises since late last week. Do you have any concrete plans?

[Iwasaki] As you just said, it was confirmed on 15 June that both the Japanese and U.S. Governments will make utmost efforts to solve the auto issue through dialogue and that concrete talks will be held at the 22-23 June meeting. As we have asked the government to solve the issue through dialogue, we hope that, at the upcoming talks, the two governments will pave the way for breaking the deadlock in the situation. We strongly hope that the Japanese and U.S. Governments will hold tenacious consultations to prevent sanctions from actually being taken. As for compromises, we will watch developments in the 22-23 June talks. If some progress is made in the talks, we will decide what to do. Therefore, at present, I cannot say what we are going to do.

[Reporter] It is reported that Toyota Motor Corporation is considering constructing a new plant in the United States or announcing something which will replace the voluntary plans for U.S.-made auto parts. What is your view as Toyota vice chairman?

[Iwasaki] Although there are various reports, for its part Toyota has not decided anything yet.

[Reporter] Has Toyota urged other car makers to come up with specific compromise plans?

[Iwasaki] No, there is no such fact.

[Reporter] It is reported that there is a slight change in the U.S. stance in negotiations and that compromise plans [words indistinct]. I believe the Japan Automobile Manufactures Association [JAMA] is trying to get information through its branch in Washington. What do you think of a change in the U.S. stance?

[Iwasaki] Although we read many press reports, to tell the truth, we do not know which is true. [Iwasaki turns to Vice Chairman Tominaga, and asks] Do we have any information from JAMA's Washington branch?

[Tominaga] There is no sign that the previous U.S. hardline stance has changed.

[Reporter] Mr. Card, president of the American Automobile Manufactures Association, is now visiting Japan. Does JAMA plan to hold talks with him?

[Tominaga] His visit was unexpected. I heard that his schedule is very tight, and he will return home soon. So, we do not have such a plan.

[Reporter] Do you have a message for him?

[Tominaga] Not in particular.

[Reporter] He repeatedly stated that the Japanese market is closed. How do you refute his statement?

[Tominaga] We have repeatedly refuted this. Taking various opportunities, we have repeatedly said that the definition and scope [hani] in the statistics he mentioned is wrong. I think we will have more opportunities in the future to refute his arguments.

[Reporter] Mr. Iwasaki, you said earlier that you will decide what to do while watching the talks that will be be held in Geneva. Does the industry feel any concern [words indistinct]?

[Iwasaki] As you know, the talks will be held 22-23 June. It is very difficult to talk about the issue before the upcoming talks. I would like you to understand that now is a delicate time.

[Reporter] Even if there is concern in the industry, is it difficult to talk about?

[Iwasaki] Since this is a management issue, I think each company is considering various plans. However, I think it is difficult for them to talk about their plans under this delicate situation.

[Reporter] Did the Ministry of International Trade and Industry [MITI] ask them not to talk about it?

[Iwasaki] No, it did not.

[Reporter] [Words indistinct], is it possible for the private sectors to accept a demand concerning the local procurement rate of auto parts in the United States, not the target for purchasing auto parts?

[Iwasaki] It is hard to answer a hypothetic question. The local procurement rate of auto parts can be said to be the same as setting numerical targets. [the program ends abruptly]

Automakers Formulating Own Compromise Proposal

OW2106145895 Tokyo ASAHI SHIMBUN in Japanese 21 Jun 95 Morning Edition p 1

[FBIS Translated Text] On 20 June, Toyota Motor Corporation and other major automobile makers revealed that they are now preparing their own mid- and long-term business plan to pave the way for settlement of the deadlocked Japan-U.S. auto negotiations. Its main pillar is the expansion of overseas local production and local procurement of auto parts. Their plan is regarded as a compromise to avert U.S. Government sanctions, which impose 100 percent punitive tariffs on Japanese luxury cars. After studying a U.S. move at Japan-U.S. vice ministerial talks to be held in Geneva on 22 June, the makers intend to further elaborate the plan. If some progress is made at the talks, the plan will be officially announced. In case the United States demands the expansion of local procurement as a numerical target, the announcement will be postponed.

The makers intending to announce the business plan are: Toyota Motor Corp., Nissan Motor Corp., Mitsubishi Motor Corp., and Honda Motor Corp. The U.S. list of sanctions aims at slashing sales of 13 luxury models from these four makers and Mazda Motor Corp. Since Mazda has no intention of increasing production in the United States, it said it will not take joint action with the others.

So far, these four makers' business projects have mostly centered on production management in the United States, Canada, and Europe. As for Toyota, its plan is expected to indicate not only measures to boost automobile production in the United States and Canada but also the start of engine parts manufacturing in the United States. Currently, Toyota is exporting engine parts to U.S. plants from Japan.

The makers intend to demonstrate that their compromise plan will substantially increase Japan's purchase of foreign-made auto parts while decreasing its exports to the United States. The Ministry of International Trade and Industry [MITI], which had asked each maker to consider a compromise, sees their plan as a way to break through deadlocked negotiations on condition that they will not become numerical targets.

However, if the compromise plan is presented only to the United States, criticism would erupt in the European Union (EU) and Australia because they may think such a compromise will give the upper hand to the U.S. market. Considering this, the makers intend to expand their business plan to the international-level, covering Asia, Europe, Australia, and other nations.

On 20 June, a top MITI official unveiled the fact that the government has been preparing for the Geneva vice ministerial talks on the auto dispute with the auto parts procurement expansion plan to be formulated by domestic auto makers as the main point in Japan's compromise proposal. At the same time, however, the official said: "(Depending on U.S. reaction), we may not be able to present the compromise proposal at the negotiation arena." He remained pessimistic concerning the possibility that the United States may not appreciate the compromise proposal insisting on its demand for numerical targets.

Airlines 'Perplexed' by U.S. Sanctions Threat

OW2106111995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Jun 95 Evening Edition p 3

[FBIS Translated Text] Japanese airlines are perplexed by the U.S. Government's announcement of sanctions against Japan over the Japan-U.S. aviation routes issue. Although the issue of beyond rights (landing rights en route to a third country) between Japan and the United States is behind the sanctions, the United States is already in an overwhelmingly advantageous position in this regard. Moreover, if Japan takes counterretaliatory measures, "the damage to U.S. airlines, which operate more flights, will be greater," according to a senior executive of a leading airline. Japanese airlines are all strongly critical of the U.S. Government's decision.

At present, Japan Air Lines [JAL] and Nippon Cargo Airlines (NCA; head office in Minato Ward, Tokyo; president, Toyoichiro Nakata) are the only companies operating regular cargo flights from Asian countries and territories to the United States via Japan. They operate 15 and 11 flights a week respectively.

These flights discharge cargo bound for Japan at Narita Airport, take on cargo bound for the United States, then fly to the United States.

The proposed sanctions will affect cargo bound for the United States that originates in Asia and is not discharged in Japan. Since exports to the United States from Asia are growing annually, the sanctions will have a "considerable" impact on the Japanese airlines, according to NCA. A senior JAL executive predicts that "this will affect business results in FY95, as well as ongoing corporate restructuring efforts." NCA, whose Pacific flights account for around 50 percent of the cargo it handles, is expected to be particularly hard hit.

'Sources': Tokyo To Bar U.S. Cargo Flights

OW2106053995 Tokyo KYODO in English 0532 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Japan will retaliate for U.S. aviation sanctions by barring all U.S. cargo flights to other Asian countries via Narita Airport east of Tokyo, Transport Ministry sources said Wednesday [21 June].

The sources said the Transport Ministry will announce the action if Washington implements threatened sanctions against Japanese airlines over deadlocked avitation talks between the two countries.

U.S. cargo planes bound for seven Asian destinations, including Seoul, Taipei and Hong Kong, via Narita will be subject to the Japanese retaliatory action, but some of them may be spared, they said.

The U.S. Transportation Department announced Monday that it would bar two Japanese airlines from carrying cargoes from five Asian countries via Japan to the United States.

The U.S. decision follows the stalemate in bilateral aviation negotiations over a U.S. request for Japan to allow the American cargo carrier Federal Express Corp. to fly via Tokyo to Asian destinations under the "beyond rights" provision in the 1952 bilateral aviation pact.

Transport Minister Shizuka Kamei told a news conference earlier Wednesday that Masahide Ochi, vice transport minister for international affairs, will be sent to Washington on July 3 on a mission to break the deadlock.

"I deeply deplore the announcement of the proposed sanctions. If the sanctions materialize, Japan will take countermeasures," Kamei said.

He added, however, that Japan will continue efforts to solve the dispute through amicable dialogue.

The Transport Ministry sources said the U.S. Transportation Department is expected to make a final decision by July 14 after scrutinizing comments to be submitted by the U.S. aviation industry on the proposed sanctions.

Under the U.S. action, Japan Airlines and Nippon Cargo Airlines would be barred from carrying cargoes to the United States from Hong Kong, Taiwan, Indonesia, Singapore and Thailand via Japan, the sources said.

Emissary To Leave for U.S. on Aviation Dispute

OW2106051195 Tokyo KYODO in English 0437 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Japan will forward a special emissary to the United States on July 3 in a bid to break the bilateral aviation deadlock, Transport Minister Shizuka Kamei said Wednesday [21 June].

Kamei told a news conference that Vice Transport Minister for International Affairs Masahide Ochi will fly to Washington to revive the stalled negotiations.

On Monday, the U.S. Transportation Department announced it would bar two Japanese airlines from transporting cargoes from five Asian economies via Japan to the U.S.

The stalled talks have revolved around a U.S. request for Japan to allow U.S. air cargo carrier Federal Express Corp. to fly via Tokyo to several Asian destinations, including the Philippines, in accordance with the "beyond rights" held by U.S. airlines under a 1952 bilateral treaty.

Kamei told reporters, "I deeply deplore the announcement of the proposed sanctions."

"If the sanctions materialize, Japan will take countermeasures," the minister said.

"However, we will not scrap our posture of seeking to resolve the row calmly through dialogue," he said.

The U.S. Transportation Department is expected to hand down a final decision by July 14 after scrutinizing comments to be submitted by the U.S. aviation industry on the proposed sanctions.

Under the sanctions, Japan Airlines and Nippon Cargo Airlines would be barred from transporting to the U.S. via Tokyo cargoes flown from Hong Kong, Taiwan, Indonesia, Singapore and Thailand.

Japan has been refusing to accept requests from U.S. airlines for new routes beyond Tokyo, saying that the 1952 treaty is heavily weighted in favor of the U.S.

The U.S. has been urging Japan to abide by the aviation treaty.

European Auto Group Official on Market Access

*OW2106104795 Tokyo KYODO in English
0949 GMT 21 Jun 95*

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The Japanese Government should consider providing financial incentives to domestic car dealers willing to handle imported cars, the head of a European carmaker association office in Tokyo said Wednesday [21 June].

Anthony Millingston, director general of the European Automobile Manufacturers Association (ACEA) Tokyo office, said Japanese car dealers are effectively managed and controlled by large car manufacturers, and more than that they are financially dependent on the manufacturers.

"The Japanese Government should reinforce the efficient function of market mechanism by providing domestic dealers with financial incentives and better access to funds at state financial institutions such as the Japan development bank," Millingston said.

That will be a good way to improve access to the Japanese automobile market, rather than the approach the United States is taking — the bilateral negotiations which European carmakers are concerned will lead to a deal at the expense of European makers, he added.

Millingston offered the suggestions during a luncheon speech at Tokyo's Foreign Correspondents Club.

Millingston, representing the Brussels-based ACEA that consists of 14 automakers operating in Europe, said the Japanese market is not open as the Japanese Government claims.

The reason European cars enjoy a higher market share in Japan than American cars "stems largely from our carmakers offering products which are well suited to the Japanese market," he said.

Major problems with the Japanese market are the complicated distribution system and technical barriers such as different government requirements and standards from many other countries, he said.

On those points, Japan has a lot to improve in terms of foreign access to its market, he added.

Millingston, however, criticized the U.S. approach of demanding Japanese carmakers to tell their dealers to handle more imported cars. "It is difficult to see how such a proposal could be implemented without dealerships being divided up (between U.S. and European carmakers)," he said.

Millingston said the new U.S. approach of calling for more local content by Japanese automakers in their cars made abroad may be a solution, adding Japan should apply any accord on such a scheme to European industry.

Tokyo To 'Take Account' of EU Trade Demands

*AU1906142595 Paris AFP in English
1403 GMT 19 Jun 95*

[FBIS Transcribed Text] Paris, June 19 (AFP) — Japan has promised to take account of pressure from the European Union (EU) over some aspects of deregulation within the next three years, a statement said here on Monday [19 June].

Japan had agreed to take account of "a number of demands by the European Union" which had not yet been met, a statement at the end of a top-level meeting between EU and Japanese officials here said.

Within three years Japan would take account of these points in its so-called deregulation programme which was published recently.

The statement, which ran to five pages, said that the two sides had a common commitment "in favour of the multilateral system" arising out of the Uruguay Round of trade talks under the old General Agreement on Tariffs and Trade (GATT).

It stressed that disputes between members of the World Trade Organisation (WTO), which has replaced the

GATT, be brought before "the new, strengthened system to settle differences".

Tokyo, Bonn To Draft Pension Agreement

OW2006105895 Tokyo KYODO in English
0943 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 KYODO — Japan and Germany will start drafting an agreement later this year on mutual counting-in of pension insurance payments, officials of the Health and Welfare Ministry said Tuesday [20 June].

Under the agreement, Japanese who have paid pension insurance premiums for the German system will have the period counted in for the Japanese pension system, and vice versa, the ministry officials said.

The ministry plans to start drawing up the agreement in late September with the Foreign Ministry in order to submit the bills to the ordinary Diet session next year in hope of putting the agreement in effect in 1997.

The pact is designed to avoid double payment of pension insurance premiums and other disadvantages stemming from the current system, the officials said.

Keidanren Urges Comprehensive Deregulation

OW2006115495 Tokyo KYODO in English
1143 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 KYODO — A powerful Japanese business organization urged the government Tuesday [20 June] to work out comprehensive deregulation measures ahead of an informal summit of the Asia-Pacific Economic Cooperation (APEC) forum in Osaka in November.

The Federation of Economic Organizations (Keidanren) said the appeal made in a proposal on Japan's role in the regional grouping was based on requests received by its delegations during their tour of southeast Asia between February and April this year.

The report sought removal of restrictions hindering foreign investment in Japan and expansion of imports, further tariff cuts and enhancement of Japan's official development assistance and cooperation in development projects, as well as simplification of customs clearance procedures.

The federation also called on the government to front-load deregulation measures included in its yen-curbing program unveiled in April.

Takemura Discusses 'Recovering Trend' of Economy

OW2106051095 Tokyo KYODO in English
0415 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The Finance Ministry will map out by next Tuesday specific steps to revitalize the securities markets and implement public works spending early, Finance Minister Masayoshi Takemura said Wednesday [21 June].

Takemura said at a news conference that it was part of the decision made at an ad hoc conference of economic ministers after the day's cabinet meeting to promptly implement measures in the emergency yen-curbing economic package adopted April 14.

"We have to make the economy's recovering trend much clearer by steadily implementing the April package and by bringing out its effects as soon as possible," Takemura said.

Takemura acknowledged that concern over the economic outlook has grown because of the yen's appreciation, growing unemployment, and slumping stock prices.

He reiterated, however, that the economy is generally on a recovery path.

Takemura avoided, however, clearly commenting on whether to abolish the securities transaction tax, only saying that the ministry will make a judgment in discussing what the tax on capital gains from stock trading ought to be.

The specific measures to come out next Tuesday will not include more detailed steps for the disposal of financial institutions' nonperforming loans than those in the ministry's basic policy released June 8, Takemura said.

The ministry will take time to carefully watch the national dispute over the use of public money for disposing of bad loans, he said.

Takemura said it is premature to specifically mention another supplementary budget for fiscal 1995 to prop up the economy.

The government is now trying to actively implement public works projects worth 45 trillion yen earmarked in the fiscal 1995 original budget and 2.7 trillion yen in the first supplementary budget compiled in May, Takemura said.

The ministry will decide about a second extra budget by closely monitoring the economic condition in the future, he said.

Public works spending will naturally decrease toward the last half of fiscal 1995 which started April 1 as a result of the early implementation, Takemura said.

Ministry To Aid Recession-Hit Industries

OW2106055495 Tokyo KYODO in English 0534 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The Labor Ministry has decided to offer subsidies to 42 industries, including the auto parts industry, which are cutting their number of workers because of the strong yen, ministry officials said Wednesday [21 June].

The designation of the yen-hit industries will be included in a law on stabilization of employment, to take effect July 1, the officials said.

The 42 industries will cover about 32,000 corporations throughout the country which employ more than 1 million people, and the measures are in effect for two years until June 1997, they said.

Under new legislation, government subsidies will be offered to companies which have plans for retraining and temporary layoffs as a result of the yen's recent sharp advance against the U.S. dollar, according to the officials.

EPA Head: GDP Figures for FY94 'Severe'

OW2106052395 Tokyo KYODO in English 0454 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Economic Planning Agency Director General Masahiko Komura said Wednesday [21 June] that gross domestic product (GDP) figures for fiscal 1994 were severe.

Komura said that, given the fact that GDP for fiscal 1994 grew 0.6 percent from the preceding year, he has to acknowledge the figure is lower than the government forecast.

"We underestimated the fact that the adverse effects of the bursting of the bubble economy in the late 1980s are continuing within the economy," he said.

Economy Enters Zero Growth Era

OW2006113495 Tokyo KYODO in English 1113 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 KYODO — Japan's real gross domestic product (GDP) for fiscal 1994 rose a marginal 0.6 percent from the previous year, attesting to the economy dipping into an era of almost zero growth.

The growth fell far short of the government's revised growth target of 1.7 percent, overshadowing its scenario of putting the economy on a stable growth track at an early time.

A senior official at the Economic Planning Agency, which released GDP figures for the January-March quarter and fiscal 1994, played down the seriousness of the latest reading, citing the fact real economic growth for the first quarter returned to the plus column with a gain of 0.1 percent from the preceding quarter for an annualized 0.3 percent rise.

But the majority of economists pointed to less optimistic recent economic statistics and trends, including the strong yen, slumping stock prices and negative effects of the January great Hanshin earthquake on personal spending.

Also creeping is deflationary trend of prices under the so-called "price destruction" on various fronts of Japan's distribution sector.

Nominal GDP for fiscal 1994 rose only 0.3 percent, sinking below the real 0.6 percent growth for the first time in the postwar period since fiscal 1987.

The EPA said the upswing in the first-quarter real GDP from the revised 1.0 percent fall in the previous quarter was chiefly aided by continued increases in corporate capital spending.

The 0.1 percent real GDP growth was tiny, however, the EPA confirmed, citing sluggish private consumption after the Jan. 17 earthquake and the yen's appreciation.

The real GDP growth for the October-December quarter was revised downward to a minus 1.0 percent from minus 0.9 percent in a preliminary report for an annualized growth of minus 3.9 percent, down from minus 3.4 percent, the agency said.

The EPA sounded optimistic, however, with vice EPA chief Tsutomu Tanaka saying, "the latest findings endorsed that Japan's economy has been on a moderate recovery trend for the January-March period, although there were some weak moves."

Despite some adverse effects of the yen's recent surge, the economy is expected to continue recovering moderately, Tanaka said.

Despite government optimism, economists took a less rosy view, saying Japan's economy has scored virtual zero growth for three years running.

Japan's real GDP growth in fiscal 1993 was minus 0.2 percent and in 1992 was 0.3 percent.

In the first quarter, domestic demand accounted for 0.1 percentage point of the 0.1 percent real GDP growth, while external demand was flat.

Corporate capital investment increased for the third quarter in a row, rising 0.6 percent from the previous three-month period, with steady gains for electrical machinery, the agency said.

Tanaka said a moderate recovery trend in capital spending has firmed on the back of improving corporate earnings.

Private consumption increased 0.1 percent, turning around a 0.9 percent fall in the October-December quarter.

Tanaka attributed the marginal growth in individual spending to the great Hanshin earthquake.

People refrained from buying clothing and luxuries as well as from domestic tourism, notably in quake-hit western Japan areas, while demand for durable goods such as electronic appliances remained steady on a broad front, the agency officials said.

Housing investment remained at a high level, up 1.5 percent, while public investment fell for the second straight quarter, down 3.2 percent.

Public spending for fiscal 1994 marked a yearly 2.4 percent growth, further surpassing the already high levels of fiscal 1993, Tanaka said.

The government's final expenditures posted a 2.2 percent quarterly gain in the January-March period mainly due to increased leasing and temporary housing for quake victims, the officials said.

external demand continued contracting, with exports of goods and services retreating to a marginal negative growth due to the strong yen, while imports rose only 0.2 percent.

The real gross national product (GNP) or GDP plus income from overseas in the January-March quarter contracted 0.1 percent from the previous quarter, with an annualized fall of 0.2 percent, posting its second consecutive quarterly decline.

Masaru Takagi, chief economist at the Fuji Research Institute, said the economy has apparently entered a retreating phase by June, citing tumbling stock prices and sluggish private consumption.

Takagi said the 0.1 percent real GDP rise for the first quarter of 1995 was a backward-looking growth because private inventory registered a similar 0.1 point growth.

Considering that the nominal 0.3 percent GDP growth for fiscal 1994 was lower than the real one, the nation's economy is stuck in a "deflation," not what the agency termed "dis-inflation," Takagi said.

The GDP deflator fell 0.8 percent for the January-March quarter from a year earlier, posting the third straight quarter of year-on-year decline.

The deflator fell 0.3 percent for fiscal 1994, the biggest drop since the end of World War II.

denying deflationary signs, Tanaka welcomed the recent downturn in prices.

Cheaper imports have pushed domestic prices down, effectively increasing people's income, while rationalization efforts by the manufacturing and distribution sectors have also been reflected in lower prices, Tanaka said.

Tanaka added, however, that sharp price drops might have adverse effects, dampening domestic competitiveness and causing employment insecurity, which will in turn affect private consumption.

Although expecting continued growth in capital spending and a recovery in individual consumption, Tanaka said it will not be easy to attain the government-forecasted real economic growth of 2.8 percent for fiscal 1995, which started April 1.

Hisashi Yamada, economist at the Japan Research Institute, said the economic situation is fairly severe, with both private consumption and public investment running out of steam.

The 3.2 percent decline in public investment was much bigger than earlier expected, fueling uncertainty over the economic outlook, Yamada said.

The economy is likely to retreat over the coming six months, Yamada said, chiefly because the effects of so-called "price busting," as well as the strong yen, are beginning to weigh on corporate earnings.

OECD Predicts Gradual Economic Recovery

OW2106001095 Tokyo KYODO in English 2303 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Japan is a "striking exception" to the trend of improvement among the world's major economies, but it will gradually accelerate its recovery toward 1996, the Organization for Economic Cooperation and Development (OECD) said Wednesday [21 June].

"Expansions of output are well established virtually everywhere, but Japan being a striking exception," the Paris-based organization said in its semiannual economic outlook.

The country's economy will pick up, however, from the second half of this year, and accelerate the following year if the yen stabilizes at a rate of 84 to the dollar, the OECD said.

The projected growth rate is 1.3 percent in calendar 1995 and 2.3 percent in 1996, based on the yen's exchange rate at 83.73 to the dollar seen in early May.

Both prospected rates, however, represent a downward revision from 2.5 percent and 3.4 percent respectively in the previous outlook last December, when the organization calculated the growth rate at an exchange rate of 96.40 yen to the dollar.

It said that in 1995 the Japanese economy will see domestic demand growing by 2.4 percent, private consumption by 2.3 percent and corporate capital investment by 1.2 percent.

In 1996, domestic demand is predicted to grow by 3.1 percent, private consumption also by 3.1 percent and corporate investment by 2.7 percent.

There is a strong downside risk, the OECD warned, adding if the yen gets stronger than 84 vis-a-vis the dollar, the projected growth may not be reached.

In order to sustain momentum, the organization suggested that Japan take a flexible stance on interest rates and lower its short- term interest rates.

An official at the Economic Planning Agency (EPA) said the OECD assessments are more pessimistic than those of the agency.

The organization may have revised the projections downward after viewing the weak performance of the Japanese economy in recent quarters and taking the yen factor too severely, he said.

As for the economies of its 25 member countries, the OECD projected overall growth of 2.7 percent in both 1995 and 1996.

World trade is expanding, lowering unemployment rates, and inflation rates have fallen to 1960s levels, the organization said.

It predicted the U.S. economy will show a growth rate of 3.2 percent in 1995, and 2.3 percent in 1996, while that of Germany is likely to come at 2.9 percent and 2.7 percent.

LDP's Kato Interviewed on Troubled Economy

OW2106093095 Tokyo NIHON KEIZAI SHIMBUN in Japanese 19 Jun 95 Morning Edition p 1

[Interview with Koichi Kato, chairman of the Liberal Democratic Party [LDP] Policy Research Council, by NIHON KEIZAI SHIMBUN editorial staff member Naoaki Okabe; first in series: "Confused Japanese Economy"; this installment: "Deregulation For True Affluence"; place and date not given — first paragraph is NIHON KEIZAI SHIMBUN introduction]

[FBIS Translated Text] We strongly feel that the Japanese economy is at an impasse. Due to the strong yen and low stock prices, we have some fear that economic recovery may be hampered. Bad debts are still a burden upon us, and uneasiness about employment is spreading among the people. We have not heard the government announcing new policies for a long time, and businessmen and consumers are unable to believe firmly in the future of the Japanese economy. How can we get rid of this fear that has engulfed the entire economy? What do you think the government and corporations have to do? We will interview politicians, businessmen, and economists to find answers to these questions.

Vanished Dreams

[Okabe] It seems that there is a strong tinge of deflation in Japan, and some people are saying that the situation is becoming similar to the Showa financial panic.

[Kato] The situation is more serious than the statistics of government agencies indicate or the top corporate executives, who are trying to save face for their companies, are saying. People are increasingly getting irritated because the latent value of their property is depreciating in the wake of the yen's appreciation and the fall of stock prices. Psychologically, it is really a bad situation.

[Okabe] What do you think is the cause?

[Kato] This is an issue related to the future of the Japanese economy. Stock prices, judging from the price-earnings ratio, were kept high, probably because the people were optimistic about the Japanese economy. They have lost their optimism. In the short run, this disappointment, accompanied by the strong yen and concern about industrial stagnation, has had a synergistic effect.

[Okabe] The extremely important thing is how we will get out of the current impasse.

[Kato] While economic measures are being discussed, the issue of taxes — including land taxes, municipal property taxes, income taxes on land transfer, transfer taxes, and taxes imposed on corporations on purchases of their own stocks — will be a main theme of the discussions. There may be a scene where we have no choice but to ease taxes, without waiting for the next fiscal year's tax system revision, if discussions on some tax systems heat up in the next two or three months.

We have to compile the second supplementary budget in early fall. As for its scale, we would like to make it large enough to have a sufficient impact on the economy. We are thinking about applying the supplementary budget not only to public works projects but also to other projects that are not covered by national construction bonds.

[Okabe] You mean that you will issue deficit-covering bonds to raise funds for research and development, right?

[Kato] That is right. The area covered by our policy will expand if we issue deficit-covering bonds. We did not incorporate general public works projects in the first supplementary budget because we thought we had to distribute funds mainly to research on fundamental science. On the other hand, the 40-trillion-yen public works projects of the central government and local municipalities were waiting to be executed. We will make sure we front-load these public works projects. Now we are going to compile a second supplementary budget, in which general public works projects will be incorporated, in the fall.

[Okabe] Are you saying that under the current economic situation, you will continue to do the special tax reduction next year, too?

[Kato] I am saying that we will continue the special tax reduction. We were saying that we might not have tax reductions if the economy recovered considerably. However, such a situation is unthinkable.

[Okabe] Some people are saying that the government should venture to make a tax cut worth about 10 trillion yen.

[Kato] Indeed, the Ministry of Finance [MOF], who said that a tax reduction would not be effective, was wrong. On the other hand, however, politicians of the ruling party have to worry about the sources of revenue. We have to think about tax cuts. At the same time, we have to improve the real standard of living by easing regulations and lowering prices. We want to lower the prices of imported beer and mobile phones, too. We want to do it.

Keeping Distance From Bureaucrats

[Okabe] The people wonder if the government really wants to ease regulations.

[Kato] Frankly speaking, the government's efforts to ease regulations are not enough. In the past, the LDP always mapped out policies while closely working with central government officials. We had a tendency to accept the government's "esteemed explanations," even on minor deregulation. The things the central government agencies do are 70 percent right. But the rest is saved just for their ego and self-satisfaction. We have entered an era in which politicians have to deal with them while keeping a certain distance.

[Okabe] Settling financial institutions' bad debts is an urgent task.

[Kato] After all, it is a question of politics. We have to buckle down to the issue of bad debts while attaching importance to the problem of the housing loan companies. The MOF's basic policy posed a problem. Sordid things may take place, but politicians will have to decide when to spend public funds and what kind of public funds to use.

[Okabe] What about the concept of forming a Japanese version of the RTC [Resolution Trust Corporation] to buy bad assets?

[Kato] The U.S. Government dealt with the bankruptcies of the savings and loan institutions for the good cause of protecting depositors. However, the problem of bad debts in Japan was caused by powerful people who spent money on resort development and golf course construction. The difficulty is that the people are not sympathetic to them.

[Okabe] Is it necessary to invoke more financial policies?

[Kato] In terms of actual interest rates, some people are calling for a few more policies. But I wonder if they will have an impact as economic measures.

Economy Not Mature Yet

[Okabe] Is it not true that the people lost their dreams about the Japanese economy because the government lacked policy vision?

[Kato] We have many dreams. The biggest mistake was that the government thought that the Japanese economy had caught up with the developed countries. But what about housing and parks? We only have enough durable consumer goods. There are many things we have to do in the process of catching up with the developed countries. If the people feel they are not truly affluent, then we should think about making them affluent. We have plenty of money and technology to do that.

Once Japan obtains true affluence at the level of the European countries and the United States, the next thing we should do is to have dreams of our own. For instance, we can call on Asian researchers for research and development of solar power to secure energy for Asia. The Japanese economy is not mature yet.

Murayama Orders Economic Stimulus Package

OW2106132695 Tokyo KYODO in English 1220 GMT 21 Jun 95

["News focus" by Takehiko Kajita and Keiko Tatsuta]

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Economic measures mooted by the government appear likely to amount at best to a supplement to steps already announced, rather than the strongly hoped-for additional stimulus package.

Mindful of criticism of the government's perceived ineptitude in ensuring economic recovery, Prime Minister Tomiichi Murayama on Wednesday [21 June] instructed his economic ministers to come up with effective measures by next Tuesday.

His order was two-fold: Early implementation of 45 trillion yen worth of public works projects for fiscal 1995, which started April 1, and the detailing of an April package aimed at combating the yen's steep climb.

Chief Cabinet Secretary Kozo Igarashi, the top government spokesman, said the planned measures will be largely based on earlier pump-priming steps and added they will be augmented if necessary.

"It will be a big problem if our move is interpreted as an attempt to craft a new economic package," a source close to the premier said Tuesday night in connection with high public expectations of government action on the economy.

Amid growing business pessimism and a worsening environment for corporate profits, the government is facing strident calls for further efforts to put the nation's economy onto a stable growth track.

For the three governing coalition parties, too, the compilation of fresh pump-priming measures is one of the highest policy priorities.

To achieve a good showing in the July 23 House of Councillors poll and maintain the framework of the shaky Murayama government, they want to garner as many votes as possible on the back of a promise to get the nation's economy back on a steady path to recovery.

However, there is little room for additional economic measures as the government has consistently formulated a broad range of budgetary steps, including the fiscal 1995 budget, the April yen- restraint package and the first supplementary budget for this fiscal year.

Finance Minister Masayoshi Takemura has said the government should focus for now on early implementation of the budget for the current fiscal year and its supplement.

While the finance minister expressed readiness to use deficit- covering bonds in an expected second extra budget, it is uncertain how far the government can go in specifying budgetary measures to be included in the planned economic steps.

"Now is not the time to draw conclusions about the second supplementary budget for autumn," said the source close to Murayama.

Still, Japan needs to come up with some specific economic support measures as the high-flying yen is threatening to derail its fitful economic recovery.

Masaru Takagi, chief economist at Fuji Research Institute, said the government must take bold action, such as the formulation of another extra budget totaling about 10 trillion yen, to wake the nation from its long economic coma.

He also called for a further reduction in the official discount rate, the charge the Bank of Japan places on loans to other banks, and steps to help financial institutions write off their bad loans and to help the long-declining stock market pull out of its quagmire.

Internationally, Japan also needs to express renewed determination to spur domestic demand, boost imports and slash its mammoth current account surplus — a primary culprit behind the yen's relentless strength against the U.S. dollar.

But the premier has already acknowledged there is no panacea for the yen's sharp appreciation, signaling that Tokyo cannot come up with substantial economic measures.

"We cannot find any single effective way to halt the yen's advance," Murayama said last week when he attended the Group of Seven summit in Halifax, Canada.

Current Account Surplus Ratio to GDP Viewed

OW2006123595 Tokyo KYODO in English 1157 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 KYODO — The ratio of Japan's current account surplus to its gross domestic product [GDP] dropped in fiscal 1994, data released by the Economic Planning Agency showed Tuesday [20 June].

The statistics put the ratio for fiscal 1994 which ended last March 31 at 2.6 percent, down 0.4 percentage point from the preceding year and down 0.8 point from fiscal 1992.

On a quarterly basis, the ratio stood at 2.4 percent for the January-March period, down from 2.6 percent for the October-December period of 1994 and 2.7 percent for the July-September quarter.

The figures proved that the strong yen depressed Japan's exports while boosting imports of products and raw materials.

MOF Approves Mitsubishi Bank, BOT Merger

OW2106061095 Tokyo KYODO in English
0601 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The Finance Ministry [MOF] on Wednesday [21 June] gave the green light to the planned merger of Mitsubishi Bank and Bank of Tokyo [BOT] to next April 1 to form the world's biggest commercial bank, ministry officials said.

Under the plan, the two major "city" banks will merge at a ratio of one Mitsubishi Bank share to 0.8 bank of Tokyo share and the new bank will be called Bank of Tokyo Mitsubishi.

The amalgamation will combine Mitsubishi Bank's wide network of about 300 domestic outlets and bank of Tokyo's strength in international businesses. The new bank will have total assets of 72 trillion yen and total funds of 52 trillion yen.

TSE Head Negative About Discount Rate Cut

OW2006113295 Tokyo KYODO in English
1101 GMT 20 Jun 95

[FBIS Transcribed Text] Tokyo, June 20 KYODO — The head of the Tokyo Stock Exchange [TSE] on Tuesday [20 June] expressed a negative view of a burgeoning call for a cut in the discount rate to boost the economy.

Noting the key rate now stands at a record low of 1.0 percent per annum, Mitsuhide Yamaguchi said at a regular news conference that current economic conditions do not necessarily permit a rate cut.

"There seems to be a limit to what the bank of Japan can do with its monetary policy right now" because the government and monetary authorities need to pay due heed to pensioners and those institutions which manage pension funds, he said.

On the deteriorating performance of securities companies due to the protracted domestic stock market slump, Yamaguchi said he will keep a close watch on their efforts to get out of the doldrums.

He also said the TSE's panel will consider whether to permit the listing of individual issues' options as a way to energize the lackluster stock market.

The exchange will dispatch a study mission to the United States and Europe as soon as possible, he added.

Osaka Reacts to Bad Loan Disposal Formula

OW2006125895 Tokyo KYODO in English
1242 GMT 20 Jun 95

[FBIS Transcribed Text] Osaka, June 20 KYODO — The Osaka prefectural government reacted sharply Tuesday [20 June] to a formula laid down by the Ministry of Finance [MOF] for disposal of bad loans held by financial institutions.

Officials said the ministry's process suggests that the Osaka government could be held responsible for financial troubles facing some local credit unions.

They said the prefectural office asked the central government to clarify the scope of responsibility shared by prefectural governments for credit unions facing money woes.

The officials said the basic rule circulated by the finance ministry to local entities last Thursday said local governments are responsible for dealing with problems of financial institutions under their supervision.

They said local entities perform duties, including inspections of credit unions, on behalf of the central government, and a report by the financial system research council in 1989 clearly states the finance ministry will play the lead role.

The officials argued that the Osaka prefectural government provided financial assistance in rescuing a financially troubled credit union in 1993 but the action was taken to avoid an adverse impact on the livelihoods of Osaka citizens.

Yamaguchi Admits Credit Union Loan Guarantees

OW1706054995 Tokyo KYODO in English
0526 GMT 17 Jun 95

[FBIS Transcribed Text] Tokyo, June 17 KYODO — Former Labor Minister Toshio Yamaguchi admitted Saturday [17 June] that he guaranteed part of the loans from two scandal-tainted credit unions to companies run by his relatives.

But he denied wielding any political clout in seeking the massive loans from the now-defunct Tokyo Kyowa Credit Association and Anzen Credit Bank.

"I don't believe my political influence had any bearing on these loans," Yamaguchi said in sworn testimony before the House of Representatives Budget Committee probing a financial scandal involving the two failed credit unions.

Former Defense Agency chief Keisuke Nakanishi was also scheduled to testify on the scandal before the panel in the afternoon.

Yamaguchi was a former senior member of Shinshinto (New Frontier Party), the largest opposition party, but quit the party in March following revelations of shady loans from the two credit unions to companies run by his relatives.

He has denied any wrongdoing.

The companies reportedly borrowed a total of 30 billion yen from the two credit unions and their affiliated companies.

The Tokyo Metropolitan Government said the two credit unions directly provided some 4 billion yen in loans to eight companies run by Yamaguchi's relatives.

It said 3.6 billion yen of the 4 billion yen in loans are now bad debts and added it is impossible for the two credit unions to recover even 700 million yen.

In his testimony Saturday, Yamaguchi also denied involvement in the reported use of the assets of two nonprofit organizations for which he serves as a director as collateral for the loans to his relatives' companies.

"I regret that I probably could have prevented the misuse if I had been informed beforehand," he said.

Yamaguchi made clear he has no plans to resign as a Diet member to take responsibility for the scandal, saying a politician should not quit simply because of criticism and slander.

On his reported close relations with former Tokyo Kyowa president Harunori Takahashi, Yamaguchi said, "our families enjoyed friendly relationships partly because we were neighbors."

Yamaguchi said Takahashi was "despite all the praise and criticism a person who epitomized an era."

Nakanishi, a senior member of Shinshinto, resigned from the Lower House last month ostensibly to take responsibility for his son, who was arrested for possession of hashish. He said his resignation had nothing to do with the financial scandal.

The Liberal Democratic Party (LDP), the largest force in the three-party coalition, has demanded Nakanishi be summoned as a sworn witness in the Diet due to his alleged close links with Takahashi.

Takahashi has said he bought 60 million yen worth of tickets for a fund-raising party for Nakanishi.

Prosecutors are investigating a number of possibly illegal loans allegedly extended by the two credit unions. Takahashi and former Anzen Credit Union head Shinsuke Suzuki have been accused of breach of trust by extending such loans knowing they could not be repaid.

The Finance Ministry and the Bank of Japan drafted a bailout plan calling for the supply of public funds to a special bank set up to take over the operations of the two failed credit unions.

Yamaguchi also denied reported links to the Aum Shinrikyo religious cult, which has been implicated in the March 20 deadly sarin gas attack on Tokyo subways and various other crimes.

Questioning from Diet members failed to corner Yamaguchi with concrete evidence of wrongdoing.

"Cite a concrete fact," Yamaguchi responded to one question.

He described the criticism of his links with Takahashi and the two credit unions as "pure speculation based on media reports."

"If the reports and the criticism were all factual, I know what I would do. But a politician should not resign in response to misunderstanding, imagination, criticism and slander," he said.

After the testimony, Yamaguchi told reporters he could speak only half of what he had wanted to.

"Even though various things are said (about me), I know how to assume responsibility as a politician when factual relationships become clear," he said.

Yamaguchi added that Diet questioning was based on speculation that there might be room for his complicity in breach-of-trust charges against the former credit union officials.

Tokyo To Take 'Resolute' Stand on Hijacking

OW2106084095 Tokyo KYODO in English
0831 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The government will take all possible measures to ensure the safety of the crew and passengers aboard a hijacked All Nippon Airways (ANA) domestic jetliner but is also determined to deal with the incident in a "resolute manner," a spokesman said Wednesday [21 June].

"We will deal with the case on the principle of safety first for the 365 passengers and crew members," Chief Cabinet Secretary Kozo Igarashi told a news conference.

But he hastened to add, "At the same time, we will deal with the incident in a resolute manner," indicating the government may take tough action depending on the development of negotiations with the hijackers.

Prime Minister Tomiichi Murayama is mainly concerned about the safety of the passengers and crew on the Boeing 747, which is standing on a taxiway at Hakodate Airport in Hokkaido, northern Japan, Igarashi said.

Shortly after the hijacking occurred a little before noon, the government, rapped for a slow response to the Jan. 17 killer earthquake that claimed more than 5,500 lives in western Japan, set up a special headquarters to deal with the incident and held its first meeting.

The headquarters, headed by Igarashi, also includes Justice Minister Isao Maeda, Transport Minister Shizuka Kamei, Foreign Minister Yohei Kono, Hiromu Nonaka, chairman of the National Public Safety Commission, and Defense Agency chief Tokuichiro Tamazawa.

Defense Agency Head: Hijacker's Motive 'Mystery'

OW2106135795 Tokyo KYODO in English
1341 GMT 21 Jun 95

[FBIS Transcribed Excerpt] Tokyo, June 21 KYODO — A man who reportedly claims to be a follower of the Aum Shinrikyo religious cult hijacked an All Nippon Airways (ANA) domestic jetliner with 365 people on board Wednesday [21 June] in northern Japan, but his identity and motive for the crime remain a mystery.

Defense Agency Director General Tokuichiro Tamazawa said there is no evidence to link the hijacker, who claims to have accomplices among the 350 passengers on board, to the doomsday cult.

Tamazawa also said radio conversations with the pilot did not refer to the initially reported hijacker's demand that the jailed founder of the cult, Shoko Asahara, be released.

The hijacker's only demands that the government has confirmed are quick refueling for a flight back to Tokyo, no approach to the plane by officials, and a pair of binoculars, according to police officials.

The government has rejected the hijacker's demands and said it will not allow refueling.

The man has likewise rejected police requests for the release of the passengers and permission to send in food and water.

Concerns are growing about the health of ill or infant passengers as the face-off continued well into the night.

It also remains unconfirmed whether the hijacker is operating alone or with others, although a member of the 15-member crew radioed that the hijacker says he has accomplices among the passengers, airline officials and police said.

That claim would seem to have been supported by what a tourist guide aboard the plane told his company over a mobile phone, namely that all the passengers, including at least nine non-Japanese and seven infants, are blindfolded and have their hands tied. The guide also said that all the passengers were safe.

The plane is parked on a taxiway at Hakodate Airport on the southern tip of Japan's main northern island of Hokkaido.

The hijacker was said to have given his name as Saburo Kobayashi and reportedly said he is an Aum follower. But a senior local police official said this has not been confirmed.

Some of the passengers have reportedly become ill but their condition is not known.

The hijacker, who was contacting authorities only through pilot Hironobu Kiyohara, rejected demands that direct talks be conducted, children be released and doctors be allowed in, police and government officials said.

The hijacker is believed to be moving in and out of the cockpit and talking directly with the pilot. He has threatened to stab a female flight attendant with a 40-centimeter ice pick unless his demands are met, police said.

A plane engineer has also been tied up, they said.

The hijacker, who claims to have a time bomb on board, has threatened to blow up the plane unless it is refueled quickly for a return flight to Tokyo where it originated, police and ANA officials said.

The Boeing 747 flight arrived at Hakodate Airport at 12:40 P.M. after being hijacked shortly before noon over Yamagata Prefecture, northern Japan, police said.

Sources familiar with some of the foreign passengers have confirmed that a Frenchman and a Canadian are on board.

Jean-Luc Rene Ravion is from France and David Silverman from central Canada, the sources said. The nationalities of the other foreigners are not known.

Japanese singer Tokiko Kato and her mother are among the passengers, but the nationalities of the foreigners are not known, an ANA spokesman said.

The airport was closed soon after the plane's arrival, and the plane remains on the airport runway. [passage omitted covered in referent items]

Aum's Asahara Admits Ordering Follower's Murder

OW2106045895 Tokyo KYODO in English
0302 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Aum Shinrikyo leader Shoko Asahara has admitted ordering the murder of one of the members of his religious cult, which has been accused of carrying out the Tokyo subway gas attack, police sources said Wednesday [21 June].

It is the first time that Asahara has admitted ordering any of the series of crimes suspected to have been committed by the cult.

Asahara, 40, charged with murder and attempted murder in the March 20 sarin attack on Tokyo subways, was rearrested last week on suspicion of ordering Hideaki Yasuda, a 27-year-old Aum member, to strangle Kotaro Ochida, 29, a pharmacist at a hospital run by the cult, in January last year.

Asahara has refused to sign an investigative report on the killing of Ochida, but police say confessions by other cult members have led them to believe he was the prime suspect in the case, the sources said.

Police are still trying to identify clear links between Asahara and the alleged murder, and say Asahara has given a number of different accounts of related events, possibly because he has been shaken by his arrest, the sources said.

The MAINICHI SHIMBUN, a national daily, reported in its wednesdsay morning edition that Asahara has admitted ordering Ochida killed, after some 10 Aum members, who had physically beaten him, sought Asahara's permission for his killing, at the cult's compound in the village of Kamikuishiki near Mt. Fuji.

Police suspect that Asahara, of his own free will, ordered Yasuda to kill Ochida, the daily said.

Police sources earlier said that Asahara had told Yasuda he would spare his life only if he killed Ochida.

Yasuda and Ochida were reportedly seized by cult members after they entered an Aum facility in the village in an attempt to rescue Yasuda's mother.

Three other Aum members have been arrested in connection with the alleged killing.

In addition to the sarin attack on the Tokyo subway system, in which 12 people died, Aum Shinrikyo is also suspected of launching another sarin nerve gas attack in a residential area of the central Japan city of Matsumoto, in June last year, and an abortive cyanide gas attack at Tokyo's Shinjuku station last month. Seven people died in the Matsumoto attack, while no one was hurt in the Shinjuku incident.

The cult is also suspected of producing weapons, apparently in connection with an apocalypse predicted by Asahara, and kidnappings.

Environmental Spending Stresses Social Science

OW2106091495 Tokyo KYODO in English
0856 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — Government spending and research on environmental preservation in the current financial year takes a socioeconomic approach rather than emphasizing the natural sciences, while almost half the budget will go to promoting nuclear power, government officials said Wednesday [21 June].

The officials said the 579.7 billion yen budget for the environment, announced in a government plan for environmental preservation, is a 3 percent increase over the previous year.

The budget includes allocations for the compilation by the end of 1995 of a second report on global warming by an intergovernmental panel on climate change.

Other topics the report emphasizes are ocean pollution, desertification and biodiversity, the officials said.

They said 279.4 billion yen will be devoted to promoting the use and development of nuclear power. The government sees nuclear power as an alternative to the burning of fossil fuels for power which releases carbon dioxide into the atmosphere, contributing to global warming.

The budget also allocates 67.5 billion yen for "monitoring and observation," the bulk of which will go toward a satellite which the national space development agency plans to launch next winter for the observation of the atmosphere. The sum is 36 percent more than last year.

Murayama Cabinet Approval Rating 37.8 Percent

OW1806024595 Tokyo KYODO in English
0112 GMT 18 Jun 95

[FBIS Transcribed Text] Tokyo, June 18 KYODO — The approval rating of Prime Minister Tomiichi Murayama's Cabinet stood at 37.8 percent, according to a Fuji TV survey released Sunday [18 June].

Fuji said the Murayama Cabinet's disapproval rating was 50.8 percent.

The private TV network poll also found 34.6 percent supported the largest opposition Shinshinto's unsuccessful action to pass a no-confidence motion against the Murayama Cabinet through the Diet.

The poll said 59.2 percent expressed opposition to the Shinshinto move.

Upper House Campaign To Begin 6 Jul

OW2106025395 Tokyo KYODO in English 0156 GMT 21 Jun 95

[FBIS Transcribed Text] Tokyo, June 21 KYODO — The House of Councillors elections will be held July 23 with the official campaign for the elections starting July 6, government officials said Wednesday [21 June].

The cabinet of Prime Minister Tomiichi Murayama approved the timetable at Wednesday's regular cabinet meeting, the officials said.

Half of the 252 upper house seats are up for grabs every three years.

These will be the first national elections since the current tripartite ruling coalition, comprising Murayama's Social Democratic Party, the Liberal Democratic Party and New Party Sakigake, took power, in June last year.

Sakigake Pledges Continued Support for Coalition

OW2106111895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Jun 95 Morning Edition p 2

[FBIS Translated Text] Finance Minister Masayoshi Takemura, leader of Sakigake [Harbinger], held a news conference in Nagano city on 20 June. He indicated that his party, together with the Liberal Democratic Party, will continue to support the Murayama coalition government after the House of Councillors elections.

Although Takemura admitted that after the elections, "each party will probably conduct an assessment of the upper house elections, and party leaders will inevitably be questioned" regarding the results, he said, "In a coalition government, what the other two parties think is also important. So far, he (Prime Minister Murayama) has done a good job." He indicated that even if Murayama, who is also chairman of the Social Democratic Party of Japan, is questioned by his party on the upper house election results, he intends to maintain the present administration's framework.

Rengo Head on SDPJ Withdrawal From Coalition

OW2106112295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Jun 95 Morning Edition p 2

[FBIS Translated Text] In an interview with NIHON KEIZAI SHIMBUN on 20 June, Washio, secretary general of the Japanese Private Sector Trade Union Confederation [Rengo], said the Social Democratic Party of Japan [SDPJ] should withdraw from the coalition government if the party loses in the upper house election in July.

He said: "If the SDPJ loses in the election, the loss should be accepted as criticism by voters for having formed a coalition with the Liberal Democratic Party and New Party Sakigake [Harbinger]. If the election result shows that voters think the party's uniqueness was lost when it joined the coalition, then the party should withdraw from the coalition regardless of what the LDP says." The Rengo general secretary also said: "It is poor strategy for the party to remain tied up in the coalition and let time pass without presenting something for the general election. That only will allow the Liberal Democratic Party to take advantage of it."

North Korea

U.S. Experts To Discuss Spent Fuel Storage

SK2006151395 Pyongyang KCNA in English 1509 GMT 20 Jun 95

[FBIS Transcribed Text] Pyongyang, June 20 (KCNA) — A delegation of U.S. experts arrived here today by air to participate in the third round of negotiations between the DPRK and U.S. experts on the safe storage of spent fuel.

ROK Soldiers Urged Not To Carry Out Exercise

SK2106033595 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 20 Jun 95

[Unattributed talk under "The Hour for Officers and Men of the South Korean Armed Forces" program: "You Should Not Be Mobilized Into War Rehearsals"]

[FBIS Translated Text] Officers and men of the South Korean Armed Forces: As you know, the Kim Yong-sam puppet clique is feverishly engaged in war rehearsals daily in the air, on the ground, and on the sea firing rifles and artillery.

The Kim Yong-sam puppet clique some time ago displayed its war frenzy in front of us on the border of Tapkok-ri, Paju County, firing tank guns, advancing a group of the puppet Army's heavy tanks in the direction of the DMZ.

On the same day, a group of large-caliber artillery unit and armed bandits of an infantry unit of the puppet Army, which were deployed for mobile operations on the front line along the area ranging from Chongwon-ri, Paju County, to Yulli-ri, Chorwon County, Kangwon Province, South Korea, fired some 3,100 rifle bullets and artillery shells at the area adjacent to the DMZ.

Before this, the puppet clique committed daily grave military provocations and war rehearsals against us in the front line area and in the DMZ.

These maneuvers by the Kim Yong-sam traitorous clique are a vicious challenge to the aspirations of all the Korean people and the world's peace-loving people who wish peace on the Korean peninsula and the reunification of the country.

As you know, this year marks the 50th anniversary of national liberation and the 50th anniversary of national division. All the fellow countrymen in the North, South, and overseas are vigorously committing themselves to brilliantly adorning this year as a year of destroying the wall of division and bringing a breakthrough for reunification in the nineties.

Running counter to this aspiration of the fellow countrymen, the Kim Yong-sam ring is following the road of confrontation and war instead of reconciliation and unity. This clearly proves that the Kim Yong-sam ring is a vicious enemy to reunification and a war maniac.

The reason the Kim Yong-sam puppet clique is leading the situation to the brink of war frenziedly engaging in the rehearsals of war for northward invasion is clear. As a result of the traitorous policy it has perpetrated since it assumed power, the Kim Yong-sam ring is gasping in a serious power crisis. Therefore, the Kim Yong-sam puppet clique is trying to relieve itself from the serious power crisis, diverting the attention of the people who oppose the clique and inspiring North-South confrontation and aggravating tension through fire games of war.

At the same time, the Kim Yong-sam ring is trying to realize the dream of reunification by defeating communism by provoking a war of northward invasion with the support of outside forces.

Facts show that as long as a war maniac like traitor Kim Yong-sam remains at large in South Korea, the South Korean people cannot sleep well for even a single night, and our nation cannot be safe from the calamity of war, let alone have peace or reunification.

Frequently cloudy weather leads to rain, and frequent war rehearsals lead to war. Because of their adventurous war maneuvers, the situation on the Korean peninsula is dashing toward a dangerous phase hour-by-hour and minute-by-minute. If a war breaks out on the Korean peninsula, it will undoubtedly develop into a nuclear war.

If a nuclear war breaks out on the Korean peninsula, the entire county will be turned into ruin, and our nation in the North and the South will suffer irreversible nuclear disaster.

Despite this, you, the youth of Korea, are mobilized to the war rehearsals for northward invasion aimed at driving the nation and the country into nuclear calamity. What a great shame and great crime this is!

Officers and men of the South Korean Armed Forces: In the northern half of the Republic, there is no enemy to the South Korean Armed Forces, and our People's Army does not want to fight with you. You should no longer follow the orders of outside forces and the Kim Yong-sam clique which is feverishly engaged in the war maneuvers for northward invasion.

The Kim Yong-sam puppet clique is conducting war rehearsals for northward invasion in collusion with outside forces so as to tame you better through the rehearsals to use you as an instrument for its maintenance of power and as cannon fodder for a war of northward invasion.

The officers and men of the South Korean Armed Forces should not be deceived by their wicked maneuvers anymore. Following their wicked maneuvers and being mobilized continuously to the war maneuvers is an antinational crime and a shameful way to death ruining your life.

Officers and men of the South Korean Armed Forces: If you truly love the country and the nation, you should not be forced to aim your guns at the chests of fellow countrymen by being mobilized into war rehearsals, but join your beloved parents, brothers and sisters, and the people to direct your rifles against outside forces and the Kim Yong-sam puppet clique.

ROK Academic: North 'Paradise of Human Odour'

SK2006151095 Pyongyang KCNA in English 1506 GMT 20 Jun 95

[FBIS Transcribed Text] Pyongyang, June 20 (KCNA) — Kim Chin-su, a South Korean professor of ethics, published an article entitled "I Find the Present Abode of Human Odour," according to Seoul-based radio Voice of National Salvation.

The author of the article says a paradise of human odour is being built in the northern half of Korea under the wise guidance of the great leader Comrade Kim Chong-il.

He goes on to say:

Murder, robberies, sexual violation and drug addicts are prevailing in South Korea and individualism and gold almighty sweeping over society are reducing men to mental deformity and beasts.

But in northern half of Korea people save those in the jaws of death at the risk of life, girls in the prime of youth get married to disabled soldiers and people look after the old men and women who have no children.

Human odour from all the people in the northern half of Korea is a product of the outstanding benevolent politics of the leader Kim Chong-il, the incarnation of human love.

He elucidated for the first time a great truth that the building of a society overflowing with human odour certainly requires the politics of love and trust. As a result, a blueprint has been unfolded to build a world full of human odour humankind wanted so earnestly.

His human love is so warm that it melts a heavy snow, boils a boundless sea and outshines the degree of solar heat.

That is why he is more pleased with beautiful deeds of people than anybody else, sends them letters of thanks as busy he is with state affairs and spares nothing for them.

I am sure that under the loving care of the leader Kim Chong-il, a tenderhearted father of the nation and great teacher of mankind, a paradise of human odour will soon be built in the wasteland of the South with no juice and fragrance and the globe will turn into a flower garden of human virtues in the 21st century.

Syrian, Libyan Delegations Arrive 20 Jun

SK2006152195 Pyongyang KCNA in English
1515 GMT 20 Jun 95

[Spellings of names as received]

[FBIS Transcribed Text] Pyongyang, June 20 (KCNA) — A delegation of Al-Baath, the organ of the Arab Socialist Baath Party of Syria led by its director-general and editor-in-chief Turki Saqr and a delegation of the Ministry of Public Health of Libya led by Abdul Amin Mohamad Satiki Tarablic, general director in charge of medical service of the General People's Committee of Health and Public Insurance of Libya, arrived here today by air.

Ex-Syrian Envoy Lauds Kim Il-song, Kim Chong-il

SK1606223395 Pyongyang KCNA in English
1516 GMT 16 Jun 95

[FBIS Transcribed Text] Pyongyang, June 16 (KCNA) — Yasir Farah, former Syrian ambassador E.P. [extraordinary and plenipotentiary] to Korea, published an article titled "President Kim Il-song Will Be Alive Long in the Hearts of all People", which deals with the greatness of the great leader President Kim Il-song.

The article came before the author's departure for home after his 13 year-long work as the ambassador to Korea. He in the article says that he, overcome with a yearning for respected President Kim Il-song, can never forget his image as bright as the sun.

He elaborates on his experiences in Korea, saying that President Kim Il-song was a great man with special human virtues, a man who has brought about a new era in history.

He devotes much space of the article to the deep intimacy between President Kim Il-song and him as a close friend as well as the ambassador of a country.

He says that the president found as much time as five hours to meet him on December 31, 1974, though the president was busy reviewing the work done that year and mapping out a plan for the next year. The ambassador adds that this is a thing the like of which can hardly be found in the world history of diplomacy.

He goes on to say that he had the honor of being received in audience by President Kim Il-song, whom all people want to have a single opportunity to see, on ten-odd occasions exclusively or as a member of delegation. In the process, he was utterly enchanted by the special human personalities of President Kim Il-song and his simple and informal great traits and a bond of kinship was forged between the president and him, which is the same as the relations between a teacher and his disciple and between a father and his children, he says, and continues:

The special personalities of President Kim Il-song which I have witnessed for a decade or more, constitute the height of the most informal, tenderhearted and noble love of a father, rather than the dignity of a leader, and a great love whereby he took care of all people, whether they are fellow countrymen or foreigners, whether they are acquaintances or strangers, whether they are rich or poor and whether they are of high position or of low position, and benevolence, for which all people are charmed and express reverence.

Frankly speaking, words and letters fail to laud the personalities of President Kim Il-song as the greatest of great men ever known in human history and history of politics spanning thousands of years.

At the centre of the revolutionary philosophy and political philosophy of the president stand the popular masses, he says, and continues:

In history it is a usual practice that the leader lords it over the country as the ruler. But I believe that there is no country in the world but Korea where the leader of the people governs well with love and trust as their father.

When I was received by President Kim Il-song one day, I asked him how could Korea strengthen to be an independent country, fighting the international reactionary forces.

He told me that Korea had a strong sense of independence as it was carrying on the revolution and construction in an independent and creative way, relying on the strength and wisdom of the popular masses closely rallied behind the party.

Listening to him, I came to know well of the basis of Korea's high international prestige and dignity.

Korea has always gone along the road chosen by itself with its faith. It has neither given in to the demand of big powers nor yielded to pressure of a hostile country.

Through the reality of Korea, I have been convinced that the strongness of a country does not depend on the number of inhabitants or the dimensions of territory but on the greatness of the leader and the united strength of the people rallied around him.

Guided by a peerless great man, Korea is praised by the world as a country with a strong sense of independence which steadfastly defends the dignity of the nation, undaunted by any stresses and storms and as a country where all the people are confidently advancing along the road of victory in close unity and in one mind.

Korea is a model country in the era of independence.

Pointing out that President Kim Il-song clearly indicated the way of making the world independent, the author says:

He made an immortal contribution to the strengthening and development of the Nonaligned Movement, a powerful anti-imperialist independent force in our age, and guided developing nations, a majority of the world, to go along the road of independence.

Though he passed away to our sorrows, the world peoples including the Arab peoples continue vigorously advancing full of confidence along the road of independence indicated by him.

Seeing Korea standing in the centre of global independence, I, with a long career of diplomat, would like to say:

As long as there exist the sun in the sky and Korea on the globe, humankind will dynamically advance toward independence and, in this course, respected President Kim Il-song will be immortal in the hearts of all the people.

His Excellency Kim Chong-il who is as great as President Kim Il-song is successfully carrying forward his cause in Korea. Therefore, the august name of President Kim Il-song will always remain shining with the bright future of Korea.

What I wish from the bottom of my heart, leaving Korea as dear as my homeland, is good health and a long life of the great His Excellency Kim Chong-il, the destiny and future of the people. His longevity is the happiness and the glory of the world.

KCNA Summary of Kim Chong-il Work on Ideology

Overview of Work

SK2106055895 Pyongyang KCNA in English 0437 GMT 21 Jun 95

["Comrade Kim Chong-il Publishes Work 'Priority to Ideological Work Is an Essential Requisite for the Socialist Cause'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 21 (KCNA) — The great leader Comrade Kim Chong-il published a work "Priority to Ideological Work Is an Essential Requisite for the Socialist Cause" on June 19, 1995.

In the work, Comrade Kim Chong-il says among other things:

The most serious lesson of the frustration of socialism in some countries is that degeneration of socialism begins in ideology and that disintegration of ideological front leads to disintegration of all fronts of socialism and results in a total collapse of socialism.

Only when the popular masses are firmly armed with the socialist idea and the ideological foothold of socialism is strengthened, can socialism be consolidated and reliably defended in any storm and stress.

When you keep hold on ideology, you will win. Otherwise, you will fail. This is the truth which has been proved by history.

The masses of the people must be awakened ideologically so that they can turn out in the struggle for socialism. This is what the socialist movement urgently needs at present for its development.

When the popular masses fighting for independence are armed with the socialist idea and have a firm belief in socialism, a new victorious road will be opened for socialism.

In the first part, Comrade Kim Chong-il says:

Priority to ideological work is an essential requisite for the socialist cause.

Without ideological work socialist system cannot come into being, exist and develop.

Socialism is a society which is guided by the socialist idea and which is developed with it as the basic driving force. The essential feature of socialist society is that unlike capitalist society where money is everything, it is a society which is developed on the strength of ideology, by the conscious activities of the people armed with the socialist idea.

To neglect ideological work in socialist construction is as good as losing the main link in socialism. This leads to degeneration and collapse of socialism in the long run.

Ideological work of the working-class party, the champion of socialism, is a theoretical work to develop in depth the socialist idea to meet the requirements of the times and the developing revolution; it is also an educational work to imbue the masses of people with the socialist idea.

The working-class party should pay deep attention to ideological and theoretical work to develop the socialist idea in keeping with the change of the times and the progress in the revolution and construction.

Renegades of revolution, who took leading positions of the party and state in some socialist countries in the past, distorted and degenerated the socialist idea. As a result, socialism lost its direction and deviated from its track and capitalism has revived. Twists and turns in socialist revolution and socialist construction and the collapse of socialism in some countries are, in the final analysis, a result of the poverty and degeneration of scientific and revolutionary idea and theory.

The working-class party should not only put forward a correct guiding idea and guiding theories to complete the socialist cause but also effectively educate the masses of people in them.

The process of the collapse of socialism in some countries gives a serious lesson that if ideology is neglected and ideological work is abandoned in socialist society, the people go astray ideologically and everything of socialist nature is degenerated and destroyed, and that if the socialist ideological foothold is undermined, it is impossible to defend socialism, however strong the economic potentials and military strength may be.

The main stress should be put on ideology and ideological work should be kept ahead of other work for the socialist cause. This demand is based on the chuche point of view towards the role of ideology in the activities of people. The socialist idea is on the highest level in the development of the consciousness of independence.

In order to firmly arm all the members of society with the socialist idea in socialist society, socialist ownership should be defended, socialist economic relations should steadily be consolidated and developed and the leftovers of the old society in socio-economic relations and various aspects of social life should be removed gradually.

Putting a main stress on ideology and keeping ideological work ahead of other things is the key to advancing the socialist cause and accomplishing it triumphantly.

Comrade Kim Chong-il in the second part says that the basic task of ideological work in socialist society is to imbue the whole of society with the socialist idea.

He says:

The socialist idea is the sum total of the development of human thought in that it contains and consummates all the progressive ideas that tally with the demands of the popular masses for independence. It is the most comprehensive and the most advanced idea that has reached its highest peak.

We must thoroughly frustrate the reactionary ideological offensive of imperialists and renegades of socialism and further strengthen socialist education so that the people may cherish deep in their hearts the scientific accuracy, truth and invincibility of socialism as their unshakable faith.

The socialist idea, the revolutionary idea our people should have is the chuche idea. The main content of the ideological work of our party is education in the chuche idea.

Collectivism is the foundation of socialist society and the socialist idea is, in essence, collectivism.

It is the fundamental guarantee for developing and completing socialism to firmly arm all the members of society with collectivism and thoroughly apply the collectivist principle in all domains of social relations, social management and social life.

In order to arm the people with the socialist idea, it is imperative to intensively educate them in loyalty to the party, party policies, revolutionary traditions, class consciousness, socialist patriotism and socialist morality.

Ideological education and criticism should be strengthened among the party members and other working people to fully overcome individualism, egoism and other outdated ideas that still remain.

In order to defend socialism and ensure an independent development of the country, it is necessary to fight against ideological and cultural poisoning by imperialism.

Revisionism is a counterrevolutionary opportunist idea which emasculates the revolutionary principle of socialism. We should clearly understand the reactionary essence of revisionism and its danger and thoroughly oppose and reject all revisionist tendencies.

Comrade Kim Chong-il in the third part of the work says ideological work in socialist society should be conducted in accordance with the principles and methods which conform with the intrinsic nature of socialism.

The work says:

Ideological work in socialist society should be dynamically conducted as the work of the party, the state and the whole society under the leadership of the working-class party.

Firm guarantee for the leadership of the working-class party over ideological work is the most important principle of ideological work.

The working-class party must strictly reject any practice denying the party's leadership over ideological work, bring all ideological work under unified control and guide it in a uniform way.

The socialist state must maintain the socialist principles and give full play to the advantages of socialism in guidance and management of all spheres of social life including state administration and economic management.

The working-class party must properly lead the working people's organisations to educate their members well, unite them closely around the party and actively mobilize them in socialist construction according to their mission and characteristics. Deep attention must be directed especially to guiding the youth organisations to play their role in full.

Ideological education must be conducted through study and organisational activities and must be closely combined with revolutionary practice.

To lay main stress on ideological work and give it definite priority is a principle our party has consistently maintained in leading the revolution and construction.

Socialism is the future of humankind. The socialist movement is a great movement of the popular masses to build an independent, new world.

The world socialist movement will certainly win as a result of the struggle of the people who are awakened and united on the basis of socialism.

First Part of Work Viewed

SK2106105695 Pyongyang KCNA in English 1015 GMT 21 Jun 95

["Comrade Kim Chong-il on Importance of Ideological Work in Accomplishing Socialist Cause" — KCNA headline]

[FBIS Transcribed Text] Pyongyang June 21 (KCNA) — The great leader comrade Kim Chong-il in the work "Giving Priority to Ideological Work is Essential for the Accomplishment of the Socialist Cause" which was published on June 19, 1995, highlights the need to put ideological work ahead of all other works with the main stress on ideology in order to successfully carry out the socialist cause.

In the first part the work says giving priority to ideological work is essential for the accomplishment of the socialist cause.

It says:

There is no more important work than ideological work for the working-class party which struggles for the independence of the popular masses.

Without ideological work socialist system can neither come into being nor exist and develop.

The essential feature of socialist society is that unlike capitalist society where money is everything, it is a society which is developed on the strength of ideology, by the conscious activities of the people armed with the socialist idea.

Only when ideological work is given priority and constantly deepened in socialist society, can political and ideological unity of society be ensured and social relations of socialism based on comradely unity and cooperation be strengthened and developed and socialist economic construction be carried out with success.

To neglect ideological work in socialist construction is as good as losing the main link in socialism. This leads to degeneration and collapse of socialism in the long run.

The work further says:

Ideological work of the working-class party, the champion of socialism, is a theoretical work to develop in depth the socialist idea to meet the requirements of the times and the developing revolution; it is also an educational work to imbue the masses of the people with the socialist idea.

If the working-class party fails to conduct ideological and theoretical work properly so that the socialist idea may engender revisionist degeneration or dogmatic stagnation, socialism cannot have correct guideline but will face turns and twists and setbacks.

Twists and turns in socialist revolution and socialist construction and the collapse of socialism in some countries are, in the final analysis, a result of the poverty and degeneration of scientific and revolutionary idea and theory.

The working-class party should not only adopt a correct guiding idea and guiding theories to complete the socialist cause but also educate the masses of the people in them.

Correct education in socialist idea makes it possible to awaken the popular masses ideologically and unite them organisationally and enables them to fully discharge their responsibility and role befitting the driving force of socialism, the masters of the state and society.

Advantages and might of socialist idea are guaranteed by ideological work.

The process of the collapse of socialism in some countries gives a serious lesson that if ideology is neglected and ideological work is abandoned in socialist society, the people go astray ideologically and everything of socialist nature is degenerated and destroyed, and that if the socialist ideological foothold is undermined, it is impossible to defend socialism, however strong the economic potentials and military strength may be.

The main stress should be put on ideology and ideological work should be kept ahead of other work for the socialist cause. This demand is based on the chuche point of view on the role of ideology in the activities of people.

Ideological work to arm the popular masses with the socialist idea constitutes a main link in displaying the advantages of socialism, increasing its might and speeding up the revolution and construction.

In order to firmly arm all the members of society with the socialist idea in socialist society, socialist ownership should be defended, socialist economic relations should steadily be consolidated and developed and the leftovers of the old society still remaining in socio-economic relations and various aspects of social life should be removed gradually.

If attempts to foster the leftovers of the outdated society, introduce capitalist management method in the operation of the socialist economy and infringe upon socialist property and revive capitalist ownership are allowed in socialist society, it may give way to undermining the economic and material foundation of the socialist ideology and fuelling individualism, egoism and bourgeois ideology.

To imbue the people with the socialist ideology is a struggle between the new and the old in ideological sphere and an ideological remoulding to clear the minds of the people of obsolete ideology and arm them with the socialist ideology, a new idea.

While abandoning the education of the people in the socialist idea, renegades of socialism caused ideological confusion among the people and flung the door open for reactionary bourgeois ideology and culture under the slogans of "openness" and "pluralism." This was, in fact, a counterrevolutionary move to strangle the socialist idea and import bourgeois reactionary idea and thus disorganise the socialist society from within.

The work goes on to say:

The socialist cause is a historic cause that can be completed generation after generation; it is the objective of the popular masses for independence that requires a fierce struggle against the imperialists and all reactionaries. As the socialist cause advances, ideological work should be developed in depth incessantly. And it should be strengthened still further to cope with the intensified manoeuvrings of the enemies of socialism.

Putting a main stress on ideology and keeping ideological work ahead of other things is the key to advancing the socialist cause and accomplishing it triumphantly.

Second Part of Work Viewed

SK2106111395 Pyongyang KCNA in English 1032 GMT 21 Jun 95

["Comrade Kim Chong-il on Main Content of Ideological Work in Socialist Society" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 21 (KCNA) — The great leader Comrade Kim Chong-il in the second part of his work "Giving Priority to Ideological Work Is Essential for the Accomplishment of the Socialist Cause" published on June 19 indicates the main content of ideological work in socialist society.

The main task of ideological work in socialist society is to imbue the whole of society with the socialist idea, he says, and goes on:

The development and completion of socialist society is the process of transforming all domains of social life as demanded by the socialist idea and what is important here is, above all, to arm all the members of society with the socialist idea to dye the whole society in one idea.

"Freedom" of ideology advertized by the imperialists is a deceptive slogan to embellish their moves to put down progressive idea and spread bourgeois reactionary idea in capitalist society in every conceivable way and to justify their ideological and cultural poisoning against other countries.

Imperialists and socialist renegades are reproaching ideological education in socialist society as "standardization" or "ideological infusion." This is an absurd fabrication to slander socialism and a sophism to justify the falsity and reactionary nature of bourgeois propaganda.

The socialist idea trains up the popular masses to be independent human beings with independent ideological consciousness and creative ability and the bourgeois reactionary idea reduces them to servants obedient to domination of capital and ideological and mental defectives.

Referring to the content of ideological work in socialist society, Comrade Kim Chong-il says:

The socialist idea, the revolutionary idea our people should have, is the chuche idea. The main content of our party's ideological work is education in the chuche idea.

The chuche idea has developed the socialist idea and theories from a new angle and brought them to perfection by overcoming the historical limitation of the preceding socialist doctrine and all opportunist distortion of socialism and correctly reflecting the demand of the era of independence, a new era of history when the popular masses have emerged as the masters of their destiny.

Collectivism is the foundation of socialist society and the socialist idea is, in essence, collectivism.

It can be said that the victory or failure of socialism depends on how collectivism is applied.

It is the fundamental guarantee for developing and completing socialism to firmly arm all the members of society with collectivism and thoroughly apply the collectivist principle in all domains of social relations, social management and social life.

Loyalty to the party is the supreme expression of collectivism and it is the most basic trait the communist revolutionaries should have. The people should regard it as their revolutionary faith and obligation to remain loyal to the party which gives them political integrity and looks after their destiny.

If the socialist cause is to be accomplished, all the members of society should be firmly armed with the revolutionary traditions, and their purity should be carried forward.

The revolutionary traditions are the historical root of socialism and the ideological and spiritual wealth which links the lineage of revolution. To emasculate the basic root of socialism, insult their leader who hewed out the road of revolution and revolutionary seniors and obliterate the socialist historical feats is the most dastard and mean perfidy and counterrevolutionary act.

The class consciousness of the working class is a core in the socialist idea and it is an independent ideological consciousness reflecting the popular masses' demand for independence and their basic interests.

Divorce from the working-class viewpoint and stand immediately leads to degeneration of socialism. "New mode of thinking" and "whole human value" apart from the working-class viewpoint and stand are a bourgeois mode of thinking and bourgeois view of value.

To keep the working-class viewpoint and stand and arm the people with the class consciousness of the working class is always an important matter in the whole course of the accomplishment of the socialist cause. Class education should be continuously strengthened even after the establishment of the socialist system.

The socialist idea is a weapon of class emancipation as well as a weapon of national liberation and it is a true patriotic idea. To make the people remain loyal to the socialist cause, education in socialist patriotism should be intensified among them.

To make all the members of society have noble moral trait is an important requirement in consolidating and developing socialism. Education in socialist morality should be intensified so that all the members of society may regard it as noble moral obligation to defend and glorify socialism and make it a rule and outlook on life.

Ideological education and criticism should be strengthened among the party members and other working people to completely overcome individualism, egoism and other outdated ideas that still remain.

The collapse of socialism in some countries is related to the fostering of authority, bureaucratism, irregularities and corruptions among cadres. In order to defend and advance socialism, it is imperative to overcome authority, bureaucratism, irregularities and corruptions through an uncompromising struggle, not overlooking their slightest expression.

In order to defend socialism and ensure an independent development of the country, it is necessary to fight against imperialist ideological and cultural poisoning.

Revisionism is a counterrevolutionary opportunist ideological trend which enervates the revolutionary principle of socialism. We should clearly understand the reactionary essence of revisionism and its danger and thoroughly oppose and reject all revisionist tendencies.

Third Part of Work Viewed

SK2106111695 Pyongyang KCNA in English 1049 GMT 21 Jun 95

["Comrade Kim Chong-il on Principles and Methods of Ideological Work in Socialist Society" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 21 (KCNA) — The great leader Comrade Kim Chong-il in the third part of his work "Giving Priority to Ideological Work is Essential for the Accomplishment of the Socialist Cause" published on June 19 indicates the principles and methods of ideological work in socialist society.

He says that in socialist society, ideological work must be conducted in accordance with the principles and methods which conform with the intrinsic nature of socialism.

Ideological work in socialist society, he adds, must be dynamically conducted as the work of the party, the state and the whole society under the leadership of the working- class party.

He further says:

To firmly guarantee leadership of the working-class party over ideological work is the most important principle of ideological work.

Strict guarantee of party leadership over ideological work makes it possible to prevent any alien idea from making its way into ideological sphere, maintain the revolutionary, socialist nature of ideological work and ensure the undivided sway of one idea, the socialist idea, in the whole society.

Pointing out that the working-class party must keep hold on ideological work and take no step backward in the leadership over ideological work, he adds: Any compromise and concession in the ideological sphere means degeneration and defeat. He continues:

To weaken or refuse the leadership of the working-class party over ideological work is an act destroying the base of the socialist idea and introducing and spreading the reactionary bourgeois idea.

The working-class party must strictly reject any practice denying the party's leadership over ideological work, bring all ideological work under its unified control and guide it in a uniform way.

In socialist society, the mass media, literature and art and all other ideological and cultural means must only serve for the defence and advance of the socialist cause in keeping with the demands of the popular masses for independence under the leadership of the party.

If ideological and cultural means of socialist society are out of the leadership and control of the working-class party, they will be used as tools against the revolution.

He elucidates that the role of an ideological and cultural educator is one of the main functions of the socialist state.

He continues:

The socialist state must maintain the socialist principles and [words indistinct] play to the advantages [word indistinct] in guidance and [words indistinct] of all spheres of [word indistinct] including State administration and economic management. In doing so, it must provide the people with abundant material [word indistinct] as required by socialist [word indistinct] at the same time, create conditions under which they can enjoy sound and affluent ideological and cultural life to their heart's content.

State organs must formulate socialist laws and regulations well, establish a regular socialist order in all spheres and guide and control the people to observe laws and regulations and keep order of their own accord.

The socialist state must extensively conduct economic and cultural exchange and cooperation with many countries of the world on the principle of equality and mutual benefit and, at the same time, direct due attention to preventing the infiltration of reactionary bourgeois idea and corrupt bourgeois culture and way of life.

If state organs engage themselves in economic and cultural exchange and cooperation at random with foreign countries, oblivious of the socialist principles, it will fling doors open for the infiltration of imperialist idea and culture and cause a serious consequence — endangering socialism.

The socialist state must take administrative and legal measures to protect the socialist system and people from the ideological and cultural poisoning by imperialism.

In socialist society, working people's organisations are political ones embracing members of society according to their classes and strata and ones of ideological education which regard ideological education among their members as their basic duty.

It is the main mission of these working people's organisations to educate and lead their members to discharge their responsibilities and role as masters of state and society.

If working people's organisations of socialist society, like in capitalist society, lay main emphasis on "interests" of any class or stratum affiliated with them, it will place "interests" of individual class or stratum opposite the interests of the party, the state and the people, and such organisations will turn into anti-state, anti-socialist ones.

One of major reasons why parties of former socialist countries lost in confrontation with counterrevolution owing to failure to unite broad people around them is that they failed to give substantial guidance to working people's organisations.

The working-class party must lead working people's organisations along a correct road so that they can substantially educate their members in conformity with their mission and characteristics, firmly unite them around the party and mobilize them in socialist construction. Notably, it must direct deep attention to youth organisations so that they can fully play their role.

Educational institutions of socialist society must put greater efforts into ideological education among people, especially among the younger generation.

In socialist society, officials of all spheres and units must engage themselves in ideological work, political work and turn the work of educating and remoulding the people into the work of the people themselves.

Ideological education must be conducted through study and organisational life and in close combination with revolutionary practice.

To put the main stress on ideology and give definite priority to ideological work is a principle consistently maintained by our party in leading the revolution and construction.

Our party will as ever strictly observe the principle of strengthening ideological work and placing it ahead of other work and thereby defend and creditably accomplish the socialist cause of chuche.

Article on Kim Il-song Views on Economic Organs

SK2106095795 Pyongyang NODONG SINMUN in Korean 26 May 95 p 2

[Article by Yi Ho-ung, first vice chairman of Pyongyang City Administrative and Economic Committee: "Programmatic Work That Should be Taken as Guiding Principle in the Work by State Economic Organs"]

[FBIS Translated Text] The great leader Comrade Kim Il-song published the classic work "On Some Problems in Improving and Strengthening the Work of State Economic Organs at Present" 30 years ago.

The work — which was published on 25 May 1965 when a struggle was being vigorously waged to achieve an overall technological improvement in the national economy, to carry out the cultural revolution, and to improve the standard of the people's living — is a programmatic document that has clearly elucidated the principled problems in further enhancing the function and role of state economic organs in conformity with the demands of the developing reality and also the principled problems that guidance functionaries at the state economic organs should adhere to in their work and activities.

The work extensively elucidates the problem of further improving local government organs' role and of paying deep attention to the people's living, the problem of improving national land management work and of assiduously managing the country's economy, and the other practical problems and detailed tasks that arise in effecting new upsurges in state economic organs' work and in enhancing the sense of responsibility and role of guidance functionaries.

Under the great leader Comrade Kim Il-song's wise leadership our people were able to create unprecedented miracles in economic construction by brilliantly achieving socialist industrialization during a short period of only 14 years. As a result, a firm guarantee for the victory of the cause of socialism has been provided.

The great leader's [suryong] work is an immortal classical work that has occupied a brilliant position in the course of the leader's immortal leadership, and its correctness and vitality have already been clearly proven by realities.

Consistently grasping the ideology and policies expounded in the great leader's work and thoroughly implementing them is an honorable task to defend and glorify the great leader's immortal achievements generation after generation. It is also an important guarantee to continuously achieve the brilliant victory in socialist economic construction in the future, too, as in the past.

Today's reality in which the whole country is vigorously seething with the struggle to implement the party Central Committee's slogans published on the occasion of the 50th anniversary of the party's founding ardently demands that our functionaries more properly plan and coordinate their economic organizational work and command to implement the party's revolutionary economic strategy and further enhance their sense of responsibility and role.

When all of our functionaries deeply master the ideology reflected in the work and work and live according to its demands, a new progress will be made in economic construction, and the potential and superiority of our socialist economy will be highly demonstrated.

The important ideology stressed in the work is for guidance functionaries to pay deep attention to the people's living and to make efforts to improve their standard of living.

The great leader Comrade Kim Il-song has taught: "When all functionaries struggle, devoting all their strength and wisdom for the working class and the popular masses while firmly believing that it is their first duty to improve the living standard of the people, including the working class, the problem of improving the people's living standard can be smoothly solved."

Taking care of the people's living in a responsible manner is precisely our functionaries' revolutionary duty and their most important duty.

Our functionaries are from among the people. They are also the commanding members of the revolution who serve the people. Our functionaries' basic duty is to devotedly serve the people to lead them to firmly unite around the party and the leader [suryong] and to lead a rewarding life to their hearts' content as the masters of the state and society.

Our party has assigned the important outposts of the revolution to our functionaries. For our functionaries, there is nothing more important than to serve the people at their assigned outposts according to the leader's [suryong] intent.

In capitalist society, individuals take the responsibility for their own lives, but in socialist society, the state takes the full responsibility for the people's lives. Administration and economic functionaries, who are directly responsible for the economic work and management of the nation, should bear a high sense of responsibility and work well in order to satisfactorily solve the questions of the people's food, clothes, and living.

The great leader stressed in his work that whether the people's living standard can be rapidly improved or not depends on the ideological view of our functionaries. There is nothing that cannot be solved when leading workers always pay close attention to the people's living, use their brains, and work hard with a revolutionary view on the masses, and devotedly serve the people.

Today in our country the people's living standard has been incomparably improved over that of the past. As the living standard improves, the working people's demand for a material and cultural life has increased. The share of the administration and economic functionaries has become greater in implementing the party's intention and policy to make an epochal improvement in the people's living standard in the near future and to sufficiently guarantee the people's material and cultural needs. Currently, our country has all the right conditions and potential for rapidly improving the people's material and cultural living standard.

When all our functionaries adhere to the firm ideological view and position to take the responsibility and take care of the people's life, highly demonstrate the revolutionary spirit of self-reliance, and work in a revolutionary and militant way, the material and cultural living standard of the working people can be rapidly improved.

The work also importantly stresses the question of more assiduously managing the nation's economics.

Assiduously managing the nation's economics is an honorable work that ceaselessly develops the country's economy at a high speed, and improves the people's material and cultural welfare. When the nation's economics are managed assiduously, the already-provided economic basis in our country can be effectively used in order to increase the output of the existing equipment, material, and labor, and increase the people's income without additional expenditures, thus excellently guaranteeing a richer and civilized life for the people.

The great leader taught us in the work that in order to assiduously manage the nation's economics, above all, our functionaries should bear an attitude and position of the master. What is important in methodically managing the nation's economics is that a socialist system and order must be thoroughly established and the control must be strengthened in all fields of the state economic organizations, and economics must be managed and operated scientifically and reasonably in accordance with the demands of the Taean work system. Along with this, the struggle for increased production and economy must be vigorously waged, and all working people must participate as the masters in the nation's economics.

This virtually depends on the position and attitude of our functionaries, who are the leading members and educators of the masses in revolution.

Presently, we are vigorously waging the struggle to implement the party's revolutionary economic strategy. Our party's revolutionary economic strategy is a struggle to make an epochal improvement in the people's living standard and occupy a new attack position to win a higher ground for socialism based on the already provided strong self-reliant economy. This requires our functionaries to manage the nation's economy more assiduously and methodically than ever and unsparingly develop the potential of our economy. When the properties of the state and society are valued and loved, and when the struggle is vigorously waged to produce more and better with existing equipment and material, the party's revolutionary economic strategy can be thoroughly implemented, the imperialists' maneuver to economically block, isolate, and crush our socialism can be resolutely smashed, and a solid material basis can be more rapidly and excellently built up for the prosperity of our fatherland and the happiness of our descendants in generations to come.

The great leader's work also extensively elucidates the problem of correctly establishing strict discipline and order in all sectors of the national economy by strengthening the control function of organs of sovereignty, the problem of leading functionaries to carrying out their work in conformity with the demands of reality with a scientific way of thinking and work attitude, and the problem of improving the work of state economic organs.

When all functionaries work according to the ideology and policies elucidated in the great leader's work, greater progress can be made in our economic tasks and the people's living can be rapidly promoted in accordance with the party's intent.

All functionaries at Pyongyang City Administrative and Economic Committee are actively struggling to perform the noble mission as the faithful servants of the people with the high awareness of taking care of the people's living in a responsible manner.

In our Pyongyang City today, many modern light industry plants have been built thanks to the wise leadership and meticulous oversight of the great leader and the respected and beloved leader Comrade Kim Chong-il who has always paid deep attention to improving the living of the people in the capital city. At the same time, thanks to the great leader and the respected and beloved leader Comrade Kim Chong-il, all facilities necessary for the people's material and cultural life, including service organs, commercial organs, education organs, and public health organs, have been built for the citizens of the capital city.

In recent years alone, thanks to the infinite love and benevolence of the great leader Comrade Kim Chong-il who always treasures and loves the people, a modern kimchi plant has been built in every kuyok [district] in Pyongyang City and a foodstuff plant for children, which supplies delicious and nutritious foodstuffs for new generations, has been built in the city. With the construction of the electric tram-car in the capital city, the traffic problem of the citizens has been smoothly solved. The problem is how our guidance functionaries should vigorously struggle to promote one step higher the people's living in the shortest period of time by upholding the party's plan and intent.

We are seeing to it that all functionaries break through all sorts of barriers and difficulties with the revolutionary spirit of self-reliance and fortitude, keeping in mind the party's slogan: "We serve the people!" By always mingling with the masses and vigorously waging political work among them, functionaries are carrying out the work of actively finding and mobilizing inner reserves on a regular basis. They are also strengthening the struggle for production increases and economization more vigorously than ever before by mobilizing scientists' and technicians' creative wisdom and talent.

Owing to the active struggle of our functionaries and working people in recent years, thousands of chongbo [2.451 acres] of material bases were built up, successful achievement was made in the production of 3 August people's consumption goods, and the city management work was greatly improved. Our experience from practice shows that any problem can be solved if all leading workers bear in their minds that they are always the people's servants and use their brains in leading the struggle.

It was the fatherly leader's sincere teaching of his lifetime for us to make an epochal improvement in the people's life. The great leader energetically carried out these activities until the last moment of his life to provide the people with a richer and more civilized life. All our functionaries are upholding the fatherly leader's lifelong teachings and the respected and beloved Comrade Kim Chong-il's lofty intention to make functionaries loyal servants and messengers of the people, and are filled with the ardent resolution to devote their everything to the struggle to improve the people's living standards.

In the future, too, we will firmly grasp and thoroughly implement the ideology and theory presented in the great leader's classical work "On Some Problems in Improving and Strengthening the Work of State Economic Organs at Present" and exert all our efforts to better administer the party's benefits to the citizens of the capital this year, which is the 50th founding anniversary of the party.

Organizational Work Urged To Conduct Slogans

SK2006130395 Pyongyang MINJU CHOSON in Korean 20 May 95 p 1

[Editorial: "Let Us Scrupulously Conduct the Organizational Work To Accomplish Slogans"]

[FBIS Translated Text] The revolutionary fervor and spirit of our people, who have received the slogans of the party Central Committee with their hearts and who are accelerating the general onward movement to brilliantly adorn the 50th anniversary of the founding of the party as the grand festival of victors, is now very high. Reality demands that functionaries of state economic organizations scrupulously organize the work to implement the slogans.

The great leader [yongdoja] Comrade Kim Chong-il stated: "No matter how high the masses' revolutionary fervor and creative activity, we cannot achieve great success unless we scrupulously conduct organizational work."

The slogans of the party Central Committee are militant banners under which the entire party, the entire country, and all the people rise up with extraordinary determination and resolve to effect upsurges in socialist construction. In these slogans are reflected our people's invariable aspiration as well as our party's firm will to glorify the revolutionary accomplishments achieved by the respected and beloved leader, to consummate to the end the chuche socialist cause, and to overcome all sorts of trials under the leadership of the great leader [yongdoja] Comrade Kim Chong-il. In addition, the tasks and ways to carry forth the struggle to vigorously advance our revolution onto a new and higher level are expounded in these slogans. Therefore, the slogans staunchly grasp the hearts of all the people across the country as soon as they are announced, and vigorously arouse them to new struggles and feats.

Thoroughly accomplishing the slogans of the party Central Committee is of great significance in registering innovations in socialist construction, in strengthening our party in every way, and in fortifying the revolutionary ranks as an iron-clad bastion. In thoroughly conducting the difficult and colossal tasks of socialist economic construction, the position occupied by and the role played by functionaries of state economic organizations is very important. Functionaries of state economic organizations are our party's pivotal force that has grown up to be the commanding staff of our revolution and that has received the most valuable political integrity under the bosoms of the fatherly leader and the great leader [yongdoja] Comrade Kim Chong-il. Loyalty by functionaries of state economic organizations toward the party should be displayed in today's fruitful march to accomplish the slogans. In addition, fulfilling one's duty as the commanding staff in this grand struggle is the most glorious way to pay back with tangible work achievements the love and benevolence of the great leader Comrade Kim Chong-il.

An important key to the victory of the struggle to accomplish the slogans of the party Central Committee is for functionaries of state economic organizations to correctly conduct organizational work in conformity with the masses' surging zeal. No matter how high the revolutionary fervor and creative activity may be, the tasks set forth in the slogans cannot be triumphantly conducted unless organizational work is properly organized. When functionaries of state economic organizations organize their work down to the last detail, only then can the goals of the struggle to accomplish the tasks set forth in the slogans be clearly mapped out. On this basis, the technical and economic work and commands can be responsibly carried out to all the units and all domains, and a larger victory can be attained in socialist economic construction by replacing the masses' surging zeal with great material strength.

What is most important in organizational work conducted by functionaries of state economic organizations for the accomplishment of the slogans of the party Central Committee is to establish correct measures.

Establishing correct measures is a primary demand to triumphantly accomplish the tasks set forth in the slogans. Even if the party's lines and policies are just, no accomplishments will be made without establishing correct measures and ways for their implementation. All the matters of policy our party intended and wished for are embodied in the slogans. Functionaries of state economic organizations should have a correct stance and position that today's struggle is a worthwhile struggle that proceeds according to the great leader Comrade Kim Chong-il's grand plans, thus mapping out the measures to accomplish the slogans.

Deeply grasping the basic spirit of the slogans and the party's intentions is an important demand for taking correct measures to accomplish such slogans and intentions. Functionaries at state economic organizations should work out correct and relevant implementation measures and detailed plans that suit their own sectors and units. They should meticulously conduct organizational work for the assignment of each relevant work, deeply understanding the nature of the party Central Committee's slogans and the profound ideology contained in such slogans by studying each word and phrase of such slogans. They should also endlessly intensify the work to review fulfillment of the assigned tasks and reassign relevant tasks, thereby helping thoroughly accomplish the militant tasks put forth by the slogans.

Meticulously conducting economic organizational work is also important in the organizational work of functionaries of state economic organizations in order to accomplish the party Central Committee's slogans.

The economic tasks assigned by the slogans are the guidelines for the struggle aimed at defending and glorifying our own style of socialism while smashing the imperialists' maneuvers to apply pressure and impose blockades; the success of the tasks depends upon how meticulously functionaries of state economic organizations conduct economic organizational work. When we meticulously conduct economic organizational work, then we are able to normalize production at high levels by making effective use of various kinds of inner reserves and the economic foundations provided.

Functionaries of state economic organizations should meticulously conduct economic organizational work to accomplish the slogans in conformity with the demands of the great Taean work system, maintaining the correct perception that no other economic management system and method is more wonderful than the Taean work system in socialist economic construction. In this way, they should improve the relevant work of planning in conformity with the objective economic laws and with the scientific and technical demands of production; should intensify the technical guidance of production; and should bring all production processes into gear with each other to the finest detail, much like a toothed wheel, by working out relevant measures in a foresighted fashion.

An important way to victory in the struggle to accomplish the party Central Committee's slogans, which demands that the vast goals for struggle be attained in a short period of time, lies in achieving technical innovations. Functionaries of state economic organizations should meticulously organize and conduct their work with scientists and technical experts; should actively help scientific research work; and should vigorously conduct mass technical innovation movements, thereby increasing to the maximum the effect of investments. They should also help produce more products on the basis of the existing labor force, facilities, and materials. In particular, functionaries of state economic organizations should effectively conduct economic organizational work to accomplish the party's revolutionary economic strategy. They should also responsibly conduct the task to ensure relevant material and technology, which are needed to develop agriculture, light industry, and foreign trade in conformity with the demands of the party's revolutionary economic strategy. At the same time, they should endlessly improve the economic organizational work aimed at giving priority to the prime sector of the people's economy. At the same time, it is necessary to consistently adhere to, and responsibly organize and implement, the work to improve the people's livelihood in en epoch-making manner. In this way, it is necessary to thoroughly accomplish the economic tasks put forth by the slogans and to increase the might of the socialist self-reliant economy in every way, under which one can survive with one's own efforts under any circumstances.

Strengthening administrative organizational work is an important task arising from the organizational work by functionaries of state economic organizations aimed at accomplishing the slogans.

Without meticulously conducting administrative organizational work, one cannot correctly manage and operate the socialist economy, which is developing in a planned manner under the unified guidance of the state; nor can one correctly organize and mobilize functionaries and workers to accomplish these slogans. When one effectively conducts administrative organizational work, only then can one direct the masses' heightened enthusiasm to the struggle to accomplish the slogans, successfully implementing the economic tasks.

Functionaries of state economic organizations should endlessly improve and intensify administrative organizational work in conformity with the demands of the developing reality, thereby making active efforts to more thoroughly establish the relevant system and order in the general management activities of all sectors and units where production and construction are underway. The commissions and ministries of the Administration Council should work out the plans of operation and responsibly conduct organizational work to accomplish the slogans; they should intensify their grasp of, guidance to, and control over all sectors and units of the people's economy. All sectors and units of the people's economy should establish an iron discipline guaranteeing the unified command of the Administration Council, under which everything is moving in terms of implementation of the economic work; they should endlessly improve economic guidance and management in conformity with the norms of economic management and regulations.

All functionaries of state economic organizations should achieve greater victories in today's grand onward movement and usher in the 50th anniversary of the founding of the party with high political enthusiasm and brilliant labor exploits, keeping deep in their hearts the party's trust and expectations for them, and should meticulously conduct the organizational work to accomplish the slogans in conformity with the masses' heightened enthusiasm.

Daily on Intellectuals' Role as Revolutionaries

SK1706120995 Pyongyang KCNA in English
1019 GMT 17 Jun 95

["NODONG SINMUN Refers to Tasks on Intellectuals " — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 17 (KCNA) — NODONG SINMUN today comes out with an editorial calling upon all the intellectuals to more thoroughly prepare themselves to be true revolutionaries of chuche type unfailingly loyal to the cause of the Workers' Party of Korea [WPK] in keeping with the requirement of the lively realities in which the general onward movement of socialism is going on to greet the 50th anniversary of the WPK foundation significantly.

The editorial reads in part:

The most important task of the intellectuals in making themselves staunch revolutionaries who are loyal to the cause of the party is to continue to thoroughly carry out to party's line of people's revolutionary transformation and assimilation to the working class. [sentence as received]

Our intellectuals have loyally upheld the cause of the party with their scientific and technological knowledge, firmly trusting only the party without any slightest vacillation even when capitalism has been revived in some countries and the counterrevolutionary offensives of the enemy have been intensified as never before.

Wherever our intellectuals live and work, the sound of drums of socialist victory can be heard.

The editorial further says:

Our intellectuals are now faced with heavy tasks to solve scientific and technical problems in enhancing the might of the independent national economy by thoroughly carrying out the revolutionary economic strategy of the party and to make a radical advance in literature and art, the press, education, public health and other domains of socialist cultural construction as a whole.

It is high time all the intellectuals turned out as one man in the struggle to implement the grand plan of the great leader Comrade Kim Chong-il with unfailing loyalty to the party.

Only when they transform themselves thoroughly in a revolutionary way and firmly prepare themselves to be revolutionaries of chuche type who share their destiny with the party to the end, can the political and ideological might of our revolutionary ranks be increased radically and the Korean-style socialism make a powerful advance, breaking through all trials of history.

Foreign Delegations Visit Kim Il-song Statue

SK1906054395 Pyongyang KCNA in English
0459 GMT 19 Jun 95

[FBIS Transcribed Text] Pyongyang, June 19 (KCNA) — A Belarus Government economic delegation led by A. A. Dobromudrov, first vice-minister of foreign economic relations, Kanji Inoki, member of the House of Councillors of Japan and president of the New Japan Pro-Wrestling Co., Ltd., and his party, a delegation of the Pakistan Federation of Labour and a delegation of the Russian Far-Eastern State University on June 17 called at the statue of the great leader President Kim Il-song on Mansu Hill of Pyongyang and laid floral baskets and bouquets before it and made bows.

Students From Chongnyon College See Yi In-mo

SK2106045995 Pyongyang KCNA in English
0440 GMT 21 Jun 95

["Students of Korean University of Chongnyon Meet Yi In-mo" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, June 21 (KCNA) — Members of the home-visiting group of students of Korean University of the General Association of Korean Residents in Japan (Chongnyon) on a visit to the socialist homeland met with Yi In-mo, the incarnation of faith and will, in Pyongyang on Tuesday.

Yi said that the intention of the great leader President Kim Il-song is being brilliantly carried out in Korea under the guidance of respected General Kim Chong-il.

The Korean nation is a happy one which is blessed with the great leader, Yi said, and went on:

"We should always remember that respected General Kim Chong-il is the destiny of the country and the nation and hold him in higher esteem."

Members of the group said that they will learn a lot from the faith and will of Yi In-mo, trust and follow only respected General Kim Chong-il in any adversity, and staunchly struggle for the accomplishment of the revolutionary cause of chuche, entrusting their destinies entirely to him.

Air Service Agreement With Switzerland

SK1806085195 Pyongyang KCNA in English
0803 GMT 18 Jun 95

[FBIS Transcribed Text] Pyongyang, June 18 (KCNA) — An agreement on regular air service between the Governments of the Democratic People's Republic of Korea and Switzerland was signed in Pyongyang on June 16.

Present at the signing ceremony were members of the government civil aviation delegations of the two countries.

Thai Education Delegation Leaves 17 Jun

SK1906072095 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 17 Jun 95

[FBIS Translated Text] A delegation of the National Education Commission of Thailand led by Deputy Secretary General Amrung Chantavanich left Pyongyang on 17 June.

The delegation was seen off at the airport by Kim Tuksu, vice president of the Chuche Idea Academy.

Cambodian Minister Makes Statement, Departs

SK2006215695 Pyongyang KCNA in English 1514 GMT 20 Jun 95

[FBIS Transcribed Text] Pyongyang, June 20 (KCNA) — Ung Huot, minister of foreign affairs and international cooperation of Cambodia, and his party left here today for home after concluding a four-day visit to Korea.

Prior to his departure, the Cambodian foreign minister was interviewed by KCNA at the airport.

He said that the friendly and cooperative relations between the Kingdom of Cambodia and the Democratic People's Republic of Korea have a long history, adding: This is based on the intimacy forged between His Majesty King Norodom Sihanouk and his excellency the great leader President Kim Il-song.

He further said:

What deeply impressed us in Korea are the great achievements made by the Korean people in the revolution and construction under the wise guidance of His Excellency the Great Leader President Kim Il-song.

During our stay in Korea, we have a better knowledge of the great chuche idea founded by His Excellency President Kim Il-song.

The chuche idea greatly encourages the workers, farmers, intellectuals and other working people to exploits.

Referring to the question of Korea's reunification, he said that Korea's reunification must not be delayed any longer but it must be achieved by the Korean nation itself without any outside interference.

Turning to the continued talks between the DPRK and the United States, he hoped that the talks would be held in interests of the Korean people.

We will always stand by the Korean people and hope that the DPRK, a brotherly country, will register a new progress and prosperity, he added.

During their stay in Korea, the Cambodian foreign minister and his party visited the old home of President Kim Il-song in Mangyongdae, Pyongyang Metro, the Tower of the Chuche Idea and other places.

Lao People's Revolutionary Party Group Leaves

SK1606140995 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 14 Jun 95

[FBIS Translated Text] A Lao People's Revolutionary Party delegation led by Thongsavat Khaikhamphitoun, member of the party Central Committee and chief of cabinet of the party, left for home on 13 June by plane.

Hyon Chun-kuk, director of a department of the Workers' Party of Korea Central Committee, saw off the delegation at the airport.

Bangladesh President Meets Ambassador

SK2006150695 Pyongyang KCNA in English 1501 GMT 20 Jun 95

[FBIS Transcribed Text] Pyongyang, June 20 (KCNA) — Bangladesh President Abdur Rahman Biswas, when he met the DPRK ambassador to his country on June 7, said that though his excellency the great President Kim Il-song passed away, they always deeply cherish high reverence for him.

He hoped that the Korean peninsula will be reunified peacefully in the interests of the Korean people.

He sincerely wished the DPRK greater success in the future under the guidance of his excellency Kim Chong-il, the great leader.

When Preben Moller Hansen [spelling of name as received], chairman of the Danish Workers' Party, common cause, met the DPRK ambassador on June 2, he said that the great leader Comrade Kim Il-song was an iron-willed and very tender-hearted man. "His unexpected death is a big loss not only for the Korean people but for us," he noted.

He stated that he was glad that the great leader Comrade Kim Chong-il is successfully carrying forward the cause of the great Comrade Kim Il-song.

Tanzanian Government Delegation Visits

Protocol Signed 16 Jun

SK1606223895 Pyongyang KCNA in English 1524 GMT 16 Jun 95

[FBIS Transcribed Text] Pyongyang, June 16 (KCNA) — The sixth inter-governmental joint committee meeting between the Democratic People's Republic of Korea and the United Republic of Tanzania was held here with a protocol signed today.

Present at the signing ceremony were Chairman Yi Song-tae and Vice-Chairman Kim Chong-u of the State Commission of External Economic Affairs and other officials concerned, and the visiting Tanzanian Government delegation headed by Minister of Foreign Affairs and International Cooperation J. Rwegasira and Tanzanian Ambassador to Korea Seif Ali Eddy.

The protocol was underwritten by Yi Song-tae and J. Rwegasira.

Met by Vice President

SK1606224295 Pyongyang KCNA in English 1529 GMT 16 Jun 95

[FBIS Transcribed Text] Pyongyang, June 16 (KCNA) — Vice-President Pak Song-chol met and had a friendly conversation with the visiting Tanzanian Government delegation headed by J. Rwegasira, minister of foreign affairs and international cooperation, at the Mansudae Assembly Hall today.

Expressing deep condolences and sorrow again at the sudden death of the great leader President Kim Il-song, the head of the delegation said he was, indeed, the great leader of Tanzania and the oppressed people.

Referring to his visit to Korea, he said the achievements made by the Democratic People's Republic of Korea are a fruition of President Kim Il-song's wise leadership and the heroic struggle of the Korean people, an independent, peaceful and dignified nation.

He further said:

"Today the Korean people are building structures and advancing full of confidence in and optimism about victory under the complicated international situation. This greatly inspires and encourages not only us but the world progressive people."

He stressed that the Nonaligned Movement and other international organizations are as ever moving in accordance with the line advanced by President Kim Il-song.

Noting that dear General Kim Chong-il has the wisest leadership ability, the head of the delegation hoped that he will continue guiding the Korean revolution and world progressive people to victory as intended by President Kim Il-song.

"Though the great president passed away without seeing the country reunified, Korea will surely be reunified under the wise leadership of dear General Kim Chong-il," he added.

He wished the dear leader General Kim Chong-il good health and a long life.

Leaves Pyongyang 17 Jun

SK1706212095 Pyongyang KCNA in English 1505 GMT 17 Jun 95

[FBIS Transcribed Text] Pyongyang, June 17 (KCNA) — The Tanzanian Government delegation led by Minister of Foreign Affairs and International Cooperation J. Rwegasira left Pyongyang for home on June 17 after its five-day visit to Korea.

It was seen off at the airport by Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Minister of Foreign Affairs Kim Yong-il, Vice-Chairman of the State External Economic Affairs Commission Kim Chong-u and other officials concerned.

During its sojourn the delegation visited Mangyongdae, Holy Land of Revolution, the Tower of the Chuche Idea, the Three-Revolution Exhibition, the West Sea barrage, the Mangyongdae School Children's Palace, Panmunjom and others and saw a circus performance at the Pyongyang Circus Theatre.

Nigerian Group Marks Kim Il-song's Death

SK1706045495 Pyongyang KCNA in English 0442 GMT 17 Jun 95

[FBIS Transcribed Text] Pyongyang, June 17 (KCNA) — A ceremony for forming the Nigerian National Memorial Committee for the First Anniversary of the Death of the Great Leader President Kim Il-song and opening a memorial month was held in Lagos on June 7.

The participants paid a silent tribute to the memory of President Kim Il-song.

At the ceremony the inauguration of the 60-member Nigerian National Memorial Committee for the First Anniversary of the Death of the Great Leader President Kim Il-song was declared.

Chairman of the Nigeria-DPRK Friendship Association Yemi Oyeneye was elected chairman, and Chief of the Group for the Study of the Chuche Idea of Lagos Industry College of Nigeria Sanusi Secretary General [spelling of names as received].

The chairman of the memorial committee in his speech said:

President Kim Il-song was a veteran statesman in the present world.

It is the natural duty of the progressive people of the world, followers of the chuche idea and members of organisations of friendship with the Korean people to pay a tribute to the memory of the great President Kim Il-song with deep reverence on the first anniversary of his death.

The committee will organize seminars on works of the great President Kim Il-song, a photo exhibition, a film show, a public presentation of memorial poems and other various functions during the memorial period to look back on his great life and wish his eternal life.

A letter to the great leader Comrade Kim Chong-il and an appeal to the groups for the study of the chuche idea, organisations of friendship and solidarity with Korea and progressive people all over the world were adopted at the ceremony.

The appeal ardently calls upon the chuche idea study groups, organisations of friendship and solidarity with Korea and progressive people of the world to cherish most solemnly the memory of his excellency the great president who devoted everything to the development and prosperity of humankind, on the first anniversary of his death, and conduct diverse activities to praise his great life.

An open letter to the South Korean authorities was also adopted at the ceremony.

The open letter strongly urges the South Korean authorities to apologize to the whole nation for their crime against the misfortune of the nation with a view to national reconciliation, unity and reunification and hold a memorial service with billions of people of the world to cherish the memory of President Kim Il-song on the first anniversary of his death.

Power Generation Facilities' Output Increases

SK2006035095 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 18 Jun 95

[FBIS Translated Text] Sonu Sang-yol, a Central Broadcasting Station reporter, reports that the officials and workers of the Taean heavy machinery complex who had vigorously stood up in hearty response to the party Central Committee's slogans are bringing about great achievements in the production of plant facilities.

Filled with a strong resolve to finish the production of a 50,000-kw hydraulic power generator, a 45,000-kw hydraulic power generator, and a 3,200-kw hydraulic power generator, all of which are necessary for one power station unit, before the end of the first half of this year, the working class at this complex is endlessly achieving technological renovation, pooling its wisdom and creativity, and accelerating production at a final stage.

Workers of the first and second power generating equipment shops, who are in charge of an important production process, are strengthening ties among work processes in the production of parts for power generating facilities, using powerful cutting methods, and bringing about achievements.

Workers of the power generating facilities shop are widely using appropriate equipment and finishing assembly work ahead of schedule.

Workers of the heat treatment shop, the forging shop, and all other shops for related production processes are using new welding methods, shortening the [word indistinct] time, and shortening production by over three months.

Building of Small Hydraulic Power Stations Noted

SK2006053995 Pyongyang NODONG SINMUN in Korean 14 May 95 p 3

[Report by Cho Il-ho]

[FBIS Translated Text] The great leader Comrade Kim Chong-il indicated:

The slogan "Let us further demonstrate the revolutionary spirit of self-reliance!" is the most important revolutionary slogan presently stressed by our party, as well as the general policy of the party work.

We recently visited the state-run Chilbong walnut farm, which is building many small-scale hydraulic power stations by properly using the topographical condition, upholding the party's intention to build more small- to medium-sized hydraulic power stations.

It was crowded inside the small hydraulic power station, which was built by the No. 1 work team of the farm.

The small hydraulic power station was quite remarkable in its way of adopting a new method of construction.

Electricity produced in the small hydraulic power station is used to light the houses of the entire work team and to operate production equipment.

The experience of winning a great advantage from the small hydraulic power station built by damming a small stream is very interesting. Such power stations can be built anywhere that has a two- to four-meter head. Such small hydraulic power stations have many benefits.

The dammed stream water runs the small hydraulic power generators and normalizes electricity production. The water is also used for irrigation.

If every work team built a small hydraulic power station like this, the farms would not need to receive electricity from the state but would guarantee lighting and production energy from in-house electricity.

Methane Gas Used for Power Generation, Farming

SK2006075395 Pyongyang NODONG SINMUN in Korean 20 May p 3

[By Tae Myong-ho]

[FBIS Translated Text] Recently, a provincial model lecture was held at the Hangnim Cooperative Farm in Changyon County. The non-brush alternate current [AC] gas power generator was very popular at the lecture.

The great leader Comrade Kim Il-song taught:

Counties and farms should properly manage the bases for the production of alternative fuel, such as methane gas and meta-anthracite, for the increased production of alternative fuels, and should widely use them in tractors, cars, and various farming machines.

The participants were amazed by the scenes of a brightly lit cultural hall that rang with singing voices, families happily smiling in front of televisions, and fields echoing with noisy tractors and field broadcasts.

With such a spirit of self-reliance and fortitude, we can solve the electricity and fuel problems on our own.

Every power station in the county has non-brush AC gas power generators modified from easily available electric motors.

Power generators should have electric brushes, but the non-brush AC gas power generators do not have brushes, and thus contain a hundred-odd fewer parts than regular generators. The simple structure enables all units to easily modify electric motors. A diesel engine modified into a gas engine runs the non-brush AC gas power generator. Visitors are very interested in the county's non-brush AC gas power generator, which has not stopped since its operation in the beginning of November last year.

How nice it is to solve the power generator problem without help from the state!

The non-brush AC gas power generator is fueled by various gases, including methane gas. The farm benefited a great deal from the gas power generator during the past six months. The gas power generator guaranteed electricity required for the lighting and televisions of all offices, the cultural hall, the ri people's clinic, schools, kindergartens, nurseries, the convenience service network, and 128 houses in the county.

In addition, the power generator runs film projectors. Portable small non-brush AC generators are used in field broadcasting and economic agitation programs.

The farm's gas production log contains the following interesting data:

— Gas was used in various rice seedling pulling and rice planting machines from 13 to 30 May 1994; in weeding machines in June; in pumps in June and September for Y-shaped irrigation in cornfields and vegetable fields; and in fall plowing by tractors in November;

— Gas was used in the pumps of the seed processing plant in March and April 1995 as well as in spring plowing by tractors in April and the beginning of May.

It is something to be proud of to run five kinds of farming machines while removing the young rice plants from the seedbeds and while rice transplanting, weeding, irrigation, plowing, and compost transportation.

Comrade Yi Kwang-chun, secretary of the ri party committee, and Comrade Kim Kyong-hwan, chairman of the management committee, participated in the National Agricultural Meeting held in February 1994, with the fatherly leader present. At the meeting, they raised the issue of using methane gas and various gases in agricultural production in farms, upholding the fatherly leader's programmatic letter "For the Ultimate Resolution of Rural Questions Upholding the Socialist Rural Theses" sent to the meeting. The proposal was actively supported by the members of the mechanization work team. Comrade Yun Yong-kil, who is the party cell secretary, and Comrades Hwang Il-su, Kim Kwang-ho, Hwang Ung-pong, and Pak Hyon-ku of the mechanization work team successfully developed the non-brush AC power generator with the help of researchers of the Electric Department of the State Academy of Sciences. Comrade An Yong-pon, who is the work team leader, and Comrades Cho Chu-hyon, Hwang Song-nam, and Hwang Nam-pok successfully applied gas in operating rice planting machines, weeding machines, and tractors.

The farm conserved a great amount of electricity and fuel. Each tractor saved one tonne of fuel, greatly contributing to the country's interests.

Their gas production and application method is valuable experience which shows that farms that do not have rivers that can be used as hydraulic resources can produce as much electricity as they want and run various farm machines.

Electricity Production at Nagwon Farm Viewed

SK2006134795 Pyongyang NODONG SINMUN in Korean 23 May 95 p 3

[Report by NODONG SINMUN reporter Yi Chang-il: "To Meet Demand of Electric Power With Its Own Strength — at the Nagwon Cooperative Farm in Toksong County"]

[FBIS Translated Text] The Nagwon Cooperative Farm in Toksong County, which is filled with immortal marks left by the great leader Comrade Kim Chong-il during his visit, is satisfactorily ensuring all electric power required for managing and operating the farm as well as for the daily life of farm workers, using electricity produced by the small hydraulic power station built with its own strength and technology, and without electric power being supplied by the state.

The great leader Comrade Kim Chong-il, who visited Toksong County at an early date, pointed out that many medium and small power stations should be built along rivers and streams; he also elucidated in detail methods and measures for satisfactorily resolving the power problem in accordance with the specific nature of the land.

The great leader Comrade Kim Chong-il has pointed out:

The most effective way to resolve the daily-increasing demand for electricity is to accelerate the construction of large power stations, while at the same time conducting the construction of medium and small power stations as an all-mass movement.

The small power station of the farm, which has 2,000-odd meters of waterway and 1,000-odd meters of drains, is producing sufficient amounts of electricity in all seasons by using the abundant waters of the Namdaechon River. The amount of electricity produced from the two small hydraulic generators in this power station is not small at all.

As a result, with electricity produced from its own strength, the farm is satisfactorily ensuring the electric power required for managing the keeping of the farm, which has constantly expanded over the past three years thanks to the party's great benevolence.

The electric power produced by the farm ensures not only the lighting for 1,000 homes as well as public buildings, but also the full operation of the tile production and brick production bases, the mechanized workshops, repair subwork teams, all other power facilities, and the feed pulverizers of the livestock work teams. In addition, the farm introduced electric power produced from the power station into the scattering of agricultural chemicals to fruit trees in an orchard extending over 200 chongbo [approximately 490 acres] of land. As a result, the farm smoothly ensures electric power for all work teams, grain processing facilities neatly built into each village, and lumber facilities. In addition, the farm supplies the leftover electricity to plants and enterprises in the county as well as to other farms.

This year the farm produced cement with electricity produced from its power station, thus enabling the building material base to operate in a comprehensive manner.

This is another brilliant fruition brought about by the just and gigantic vitality of our party's policy for dynamic construction of medium and small power stations. This is also a proud achievement attained by functionaries and agricultural workers of the farm through their vigorous struggle to glorify for generations the immortal leadership achievements of the great leader [yongdoja] Comrade Kim Chong-il. He devoted all his efforts and energies to fully realizing the fatherly leader's profound idea for socialist rural construction by personally visiting farms in the secluded rugged mountainside.

The construction of the power station on this farm was not at all easy. The natural head of water for the power station was originally only 3.5 meters, and the elevation difference between the upper and lower streams of the 2,000 meter-long waterway was less than 1.6 meters.

Functionaries of the farm — including Party Secretary Yi Min-sop and Chang Kum-sun, chairwoman of the Management Committee — and agricultural workers disposed of a total of 80,000 cubic meters of soil in order to elevate the head of water, boldly overcoming various difficulties and arduous work with their own strength. They heaped up 15,000 odd cubic meters of rock, thus creating more than 10 meters of head of water. Chu Won-chong, head of the repair workteam; Comrades Pang Hyon-nam and Song chu-ho; and technicians of the farm produced and ensured 20-odd kinds of machines parts, including watergate hoists, water purifiers, and water coolers. As a result, they successfully completed assembling the generators in a short period of time. The generators, which they built with their own strength and technology, constantly increased electric power production by reverberating their powerful sound of full operation and full capacity, not showing any defects since they first began operation.

Functionaries and technicians on the farm wholeheartedly received the slogan of the party Central Committee on greeting the 50th anniversary of the founding of the party with lofty political zeal and brilliant labor exploits. They waged a more vigorous struggle to complete in a short period of time the assembly of the No. 3 generator, which is currently being assembled, and to realize electric heating in each household. Thus, they resolved to excellently build Nagwon-ri as "the village without a chimney" in order to embody our party's immortal leadership achievements.

Power Plant Records Gains in Power Generation

SK1806014395 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 17 Jun 95

[FBIS Translated Text] The electricity generating workers at the Taechon Hydroelectric Power Complex are achieving greater success by waging a vigorous struggle to increase electricity generation.

The electricity generating workers there, who are operating each piece of equipment at full throttle with the fighting spirit they displayed during the period of the great Chollima upsurges, are nowadays overfulfilling daily plans by more than 130 percent.

Electricity generating workers there are fulfilling the highly-set daily plans without fail by operating each piece of equipment at full capacity, paying special attention to the management of water.

In particular, the electricity generating workers at the No. 2 power generating workshop are also generating much more electricity than daily plans, all the while taking meticulous care of the facilities and technology as well as operating generators in a highly efficient manner by maintaining water at a high level.

Chongjin Power Station Ups Electricity Output

SK2006035995 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 18 Jun 95

[FBIS Translated Text] Choe Chang-hwa, a Central Broadcasting Station reporter, reports that the officials, party members, and workers of Chongjin thermal power station are vigorously waging the struggle to thoroughly implement the militant tasks presented by the party Central Committee's slogans.

Workers of the turbine shop are leading the innovation struggle. They are operating electricity generators at full capacity and thus increasing production by over 20 percent compared to the beginning of this month [as heard].

Meanwhile, combatants of boiler No. 1 properly carried out equipment management and technological management and increased steam production, thus greatly contributing to electricity production.

Construction of Hungju Power Station Accelerated

SK2006073295 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 19 Jun 95

[FBIS Translated Text] Builders of the Hungju power station, who vigorously stood up with firm determination to brilliantly implement the great leader's intentions, are accelerating power station construction with the same spirits that they displayed during the 70-day campaign.

Comrade Paek Song-nam, a builder, told Choe Un, a Central Broadcasting Station reporter:

[Begin Paek Song-nam recording] The party Central Committee's slogans released on the 50th anniversary of the party's founding mention the need to accelerate the construction of large power stations. Only a few days before he passed away from us last year, the fatherly leader, who presented the plan to build many [word indistinct] power stations along the Changja River, gave a valuable instruction to accelerate construction of the Hungju power station and finish it.

Therefore, in hearty response to the great leader's teaching in his behests and the party's intentions, we are accelerating construction of the generator room and that of the floodgates with the high goal of finishing the construction of Generator No. 1 before the 50th anniversary of the party's founding.

We are now working on construction of the generator room, which we started only a while ago, and it is set to be finished a week earlier if we continue at the current speed.

During the 70-day campaign which the great leader Comrade Kim Chong-il commanded at the vanguard, our working class scored great upsurges in socialist economic construction in the chollima spirit that was spurred on by the speed battle.

In the same spirit of that period, our power station builders are further hastening construction while highly displaying the revolutionary spirit of self-reliance and arduous struggle.

We finished the construction of the floodgate columns, which are deeply embedded in the Changja River, in only a month, in hearty response to the fatherly leader's behests.

We express the firm resolve to give the gift of loyalty on the 50th anniversary of the party's founding by finishing the construction of Generator No. 1 well ahead of schedule with the strong resolve to do what the party decides. [end recording]

Kanggye Youth Power Station Vows To Up Output

SK2106033195 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 20 Jun 95

[FBIS Translated Text] Electricity producers of the Kanggye youth power station who warmly embraced the decision on upholding the great leader Comrade Kim Il-song in eternal state, are bringing about a great upsurge in electricity production.

Comrades An Mun-son and Kim Chong-sik, who are workers, told Choe Un, a Central Broadcasting Station reporter, the following:

[Begin recording] [An Mun-son] Isn't highly upholding forever the great Comrade Kim Il-song as an eternal leader of our party and people and the sun of chuche, our party's firm determination and our people's iron-like faith? Today, we are operating the electric generator by looking up to the fatherly leader's benevolent image in which he proclaimed to the whole world the operation of the power station while organizing the first mobile organization after visiting the power station.

[Kim Chong-sik] Truly, the fatherly leader's benevolence permeates all the machines and facilities of our power station. Embraced in the extraordinary honor and pride of working at the glorious work site where the great leader's immortal achievements permeate, we are overfulfilling daily targets by 110 percent.

Our electricity producers are eternally upholding the fatherly leader deep in our hearts; and since there is the respected and beloved General Kim Chong-il, we are devoting all wisdom and energy for my country and my fatherland which will become all the more rich and powerful. Thus we will uphold our party by increasing electricity production. [end recording]

South Korea

Minister Visits U.S., ROK Troops at Front

SK2106034795 Seoul THE KOREA TIMES in English 21 Jun 95 p 3

[By staff reporter O Yong-chin]

[FBIS Transcribed Text] Pochon, Kyyonggi Province — Defense Minister Yi Yang-ho visited the Multi-Purpose Range Complex (MPRC) of the U.S. 2nd Infantry Division here yesterday to offer words of encouragement to American troops and Korean Augmentation Troops to the U.S. Army (KATUSAs) on frontline duty.

Yi shook hands with American soldiers, asking questions about their tour of duty in Korea and gave them a pep talk in appreciation of their efforts to preserve peace and stability against possible North Korean aggression.

BG [Brigadier General] Robert Flowers, deputy 2nd Division commander, guided Yi and his entourage around the complex.

Yi told the American soldiers, "We (Koreans) remember your great dedication and contributions to the security and peace of the Korean peninsula far away from your home and beloved families."

"On behalf of all Korean people, I would like to express my sincere appreciation to you for your efforts," he said.

After a few minutes chatting with them, Yi, a former Air Force chief of staff, climbed on one of the dozen M1A1 tanks, brought in recently to replace older models,and participated in a live-fire exercise.

He listened as a KATUSA soldier, a member of the crew of the new Abrams, briefed him on the features of the new model that has more firepower and greater mobility.

A ministry spokesman, accompanying Yi, said that the visit was timed with the coming 45th anniversary of the breakout of the Korean War and to convey thanks to frontline American soldiers, who play an important part in deterring North Korean aggression.

Another ministry official said that the visit was also aimed at showing off the strong military ties between the two countries, eliminating doubts about them in the aftermath of incidents involving off-duty American GIs.

Prior to the visit to the MPRC, Yi paid visits to two frontline guard posts (GPs) maintained by the ROK Army Sixth and 15th Divisions.

Yi instructed the division commanders to maintain military readiness and to never leave anything to chance, reminding the field officers, "You are the tip of Korea's defense posture against the North. Thanks to the fact that you are here and defend the country, people can sleep tight," he said.

Rice Aid Talks With DPRK Reach Agreement

Talks Continue 20 Jun

SK2006231795 Seoul KBS-1 Radio Network in Korean 2100 GMT 20 Jun 95

[By Yi Tong-sik from Beijing]

[FBIS Translated Text] The South-North Korean rice talks, which seemed near conclusion last night, will continue today since the sides failed to agree on the wording for a final agreement. The sides met to discuss the adjustment of a final draft agreement from 2100 last night until early this morning, but could not reach a final agreement because they had to wait for instructions from their respective governments.

An official in charge said: The working-level delegations of the two sides will meet again at 1100 this morning to discuss points of concern. The sides are expected to reach a final agreement today.

This official, however, declined to mention the details of what they had failed to agree on.

South and North Korea resumed the fourth-day of rice talks in Beijing last night and, according to their respective governments' instructions, held negotiations on some unsolved problems in order to reach a final agreement.

'Immediate Shipment' Readied

SK2106031995 Seoul YONHAP in English 0255 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The South Korean Government plans to make its first 10,000-ton shipment of rice to North Korea as early as this coming weekend and will send the remaining 40,000 tons of rice earmarked as grant-type aid to North Korea sometime in July.

The Agriculture, Forestry and Fisheries Ministry instructed local governments of seven provinces Wednesday to polish 10,000 tons of 1993 vintage rice for immediate shipment to North Korea.

Under an accord reached at the inter-Korean vice ministerial-level talks in Beijing, South Korea will deliver at a later date an additional 100,000 tons of rice to North Korea on a long-term, low-interest credit basis.

The polished rice will be transported to four South Korean ports by the Korea Express Co., loaded and shipped off to North Korea by Sunday. About 2,000 tons will be shipped from Tonghae, another 2,000 tons from Masan, 3,500 tons from Mokpo and 2,500 tons from Kunsan. The rice will be delivered to North Korean ports as designated by Pyongyang.

The rice to be shipped to the North will be packaged in 40-kg polyprophlene bags with nothing printed on them.

The South Korean Government has over 162,000 tons of 1993 vintage rice stored, of which 152,000-odd tons are available for supply to North Korea.

The ministry, which operates the "Rice Aid to North Korea Situation Room," ordered last Monday 231 government-contracted milling plants across the country to stand by for rice polishing and ordered 1.4 million polyprophlene rice bags.

Rice Prices Increase

SK2106034895 Seoul YONHAP in English 0119 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — Rice prices are on the increase across the country, apparently influenced by the Beijing rice talks with North Korea regarding food aid to the communist country.

On the rice wholesale market in Yangjae-tong, Seoul, Wednesday morning, rice from Uisong in North Kyongsang Province was being auctioned off at 124,400 won per 80-kg bag, up 3.3 percent from 120,400 won a month earlier.

Prices for rice from other areas also rose 2,000 to 4,000 won per 80-kg bag.

The National Agricultural Cooperatives Federation reported the national average farmer's price was at 111,674 won per 80-kg bag as of Monday, up 3.1 percent from March's end and 5.9 percent from 1994's end.

The Bank of Korea announced the national average wholesale rice price is at 111,146 won per 80-kg bag as of June 15, up 2.6 percent from March and 3.9 percent from December last year.

According to the national statistical office's consumer price table, the average price of rice on the consumer market rose 3.4 percent from the end of last year to 125,930 per 80-kg bag on June 15.

Government officials cited seasonal factors and the government's policy to allow for seasonal price fluctuations of up to 10 percent as reasons of the price increase.

But rice dealers said the rice talks with North Korea [are] influencing the rice market.

Agreement 'Settled Completely'

SK2106064495 Seoul KBS-1 Radio Network in Korean 0600 GMT 21 Jun 95

[By reporter Yi Tong-sik from Beijing]

[FBIS Translated Text] Rice negotiations between North Korea and South Korea have been settled completely. About 1300 this afternoon, at Shangri-la Hotel in Beijing, delegates from the two sides completely finalized their differences in opinion as regards the provision of rice to North Korea, and the signing of the final agreement.

As of now, our side's senior delegate Yi Sok-chae and the North side's senior delegate Chon Kum-chol are believed to be preparing the contents of the joint statement with working-level officials. The outcome of the final agreement is expected to be released at the Shangri-la Hotel in Beijing between 1500 and 1600, as soon as preparations of the contents are complete.

It has been learned that today's agreement was reached after the North side received instructions from its government regarding formal issues — such as the subject of rice supply and the subject of the signature of agreement — which both sides were pulling for until the last stages of the talks.

Agreement Signed

SK2106080195 Seoul YONHAP in English 0754 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — A high-level government official said South and North Korea have signed an agreement at a vice ministerial-level meeting held in Beijing Wednesday morning which states that South Korea will provide the North with rice.

The issue of which representatives should sign the agreement, the last hurdle in the negotiations, was resolved when the two sides agreed that Vice Finance and Economy Minister Yi Sok-chae would sign it for the South and Chon Kum-chol of the Committee for the Promotion of External Economic Cooperation, authorized by the Administration Council's External Economy Commission, would sign it for the North, the official said Wednesday afternoon.

Agreement Not To Be Made Public

SK2106104795 Seoul YONHAP in English 1022 GMT 21 Jun 95

[FBIS Transcribed Text] Beijing, June 21 (YONHAP) — South and North Korea have decided not to make public the text of the agreement they reached in Beijing on the South's supply of rice to the North, a South Korean Embassy official here said Wednesday.

The two sides' delegates to the rice talks were originally set to jointly announce the rice agreement around 4 pm.

Shortly before 4 pm, however, an official from the South Korean Embassy said the original schedule was changed and there would be no joint release of the text of the agreement.

Instead, he said, the South and North Korean chief delegates would come down to the first-floor lobby and pose together for picture briefly.

After the delegates returned to their respective hotel rooms, two South Korean delegates would brief the contents of the agreement to reporters, he said.

"However, the text of the agreement will not be made public under mutual agreement," the official added.

Government Informs Japan

SK2106115395 Seoul YONHAP in English 1148 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The South Korean Government informed Japan Wednesday of the outcome of the South-North rice talks and obtained the Japanese agreement to consult closely with Seoul on Japan's supply of rice to North Korea, a Foreign Ministry official said.

Saying that the highlights of the rice talks agreement were given to the Japanese Government through a diplomatic channel, the official said that as a result Japan, too, will soon formally discuss the planned shipment of rice to North Korea.

Japan was originally set to have a joint administration-coalition ruling parties meeting Thursday to tackle the rice issue, but the talks may be delayed for a few days due to Wednesday's plane skyjacking in Japan.

"As soon as they officially reach a plan to ship rice to the North, the Japanese Government will consult with South Korea over the matter," the official said, adding that the pace of their delivery of rice would be set in consideration of the shipment of South Korean rice to the North.

Deputy Premier's Announcement

SK2106121095 Seoul KBS-1 Television Network in Korean 1008 GMT 21 Jun 95

[Announcement by Na Ung-pae, ROK deputy prime minister and National Unification minister, at news briefing held at the National Unification Board conference room in Seoul — live]

[FBIS Translated Text] President Kim Yong-sam, prompted by compatriotic love, has supported the proposal to send grains to North Korea on many occasions — through a congratulatory speech made during the 15 August national liberation anniversary last year, through the Berlin declaration on 7 March this year, and through a speech delivered at the general meeting of the International Press Institute on 15 May, with a view to resolving the food shortage in North Korea.

Following this, on 26 May, the government expressed its readiness to offer grains required by North Korea without any precondition in the name of the deputy prime minister and the minister of the National Unification Ministry. The government then proposed a contact between authorities of both sides to discuss procedural issues.

After this, according to the North Korean side's proposal, the Korea Trade Promotion Corporation [KOTRA] of our side and Samcholli General Company under North Korea's External Economy Committee held a contact in Beijing from 13 to 16 June.

At the contact, our side informed the North Korean side of our position that the issue of offering rice should be discussed through contacts between authorities of the North and the South, which North Korea accepted. As a result, the Beijing contact between authorities of the North and the South was held from 17 to 21 June.

During the current contact, the authorities of both sides reached agreement on the following:

1. Our side will deliver 150,000 tonnes of rice to the North Korean side as the first shipment. The total amount of this first shipment will be provided as grant-type aid.

2. Our side will have the first ship depart from port within 10 days after this agreement is signed. Our side will deliver the first shipment of rice by our ship through the sea route to Chongjin and Najin.

3. Rice to be delivered to North Korea in the first shipment will be the polished rice to be packaged in 40-kg polypropylene bags with no markings.

4. The companies from both sides that will implement the provisions stipulated in this agreement will be the KOTRA representing our side and Korea Samcholli General Company representing the North Korean side.

5. North and South Korea will ensure all required cooperation so that delivery and acceptance of the rice will be satisfactorily implemented.

6. The South and the North will hold the second round of talks in mid-July 1995.

7. Problems arising in the course of implementing the agreement will be solved by consultation with this delegation.

The agreement was signed by ROK and DPRK authorities.

The rice supply to North Korea, which took place 11 years after we received rice and cement from the North when we suffered from a flood in September 1984, is a result of discussions between responsible authorities based on the spirit of reconciliation and cooperation between the South and the North. This leaves a good precedent of mutual help between fellow countrymen. The agreement is a measure of pure fraternal love to ease the difficult food situation of North Korea without any precondition. The government will make every effort to implement without setback what was agreed to with North Korean authorities.

To enable all the people to participate in the national project, the government will evenly designate polishing and packing plants and ports nationwide; and 190 polishing plants for state-held rice will be operated simultaneously across the country and 30 plants will produce packing materials. Major ports selected for shipping the rice are Tonghae, Pohang, Ulsan, Pusan, Chinhae, Masan, Kwangyang, Mokpo, Kunsan, and Inchon. The first 2,000 tonnes of rice will be shipped from Tonghae port in Kangwon Province within this week. Tonghae is designated the first shipping place because it is the nearest port to North Korea to meet North Korea's demand to send the rice in the shortest possible time.

To smoothly proceed with the rice aid, the government will soon hold a working meeting for grain supply to North Korea presided over by the vice minister of the National Unification Ministry, followed by a meeting of reunification-related ministers to develop and implement pan-governmental follow-up measures.

DPRK Economic Growth of Negative 1.3 Percent

SK2006010995 Seoul THE KOREA TIMES in English 20 Jun 95 p 9

[By staff reporter Sa Tong-sok]

[FBIS Transcribed Text] The North Korean economy posted negative growth of 1.3 percent last year, the fifth consecutive decline in a row since 1990, affected by a slow-down in industrial output, according to a report released by the Bank of Korea yesterday.

The 1.3 percent fall recorded in 1994, however, represented a sharp leveling off compared with the year-on-year negative growth of 4.3 percent in 1993.

"This cannot be taken as meaning that the North Korean economy has recovered from its worst crisis," a central bank official said.

North Korea's current gross national product was estimated at 21.2 billion dollars last year, slightly up from the 20.5 billion dollars in 1993, but only one eighteenth of South Korea's 330.8 billion dollars.

According to the report, North Korea's economic woes continued in 1994 as foreign trade suffered a setback, in connection with the nuclear crisis, and the shortage of energy and raw materials deepened.

Social and political instability in the aftermath of the death of North Korean leader Kim Il-song has dealt a blow to laborers' work morale, resulting in an acute slowdown in industrial production.

The only bright light seen in the North Korean economy was in agriculture. The isolated Stalinist country's agricultural output posted an increase of 4.2 percent last year thanks to favorable weather conditions.

The central bank computed North Korea's per capita GNP in 1994 at 923 dollars, up from the 904 dollars in 1993. The figure, however, was one ninth of South Korea's per capita GNP the same year of 8,483 dollars.

"The gap in economic strength between South and North Korea widened further last year," a central bank spokesman said.

North Korea's foreign trade also plunged sharply last year. North Korean exports fell from 1.02 billion dollars in 1993 to 840 million dollars while imports took a deeper dive from 1.62 billion dollars to 1.27 billion dollars.

Despite the relative good harvest last year, North Korea suffered from food shortages.

Although its grain output rose from 3.88 million tons in 1993 to 4.12 million tons last year, it fell short of the 1991 output of 4.42 million tons.

The North's rice production also registered a marked rise last year at over 1.5 million tons but fell short of the 1991 level of 1.64 million tons. North Korea suffered a fall of 9.6 percent in fisheries production last year, pulling its growth in the agriculture, forestry and fisheries sector down to 2.7 percent.

Other North Korean industrial sectors showed negative year-on-year growth as a whole except in electricity and gas which recorded a 4.2 percent gain in 1994.

Mining grew minus 5.5 percent last year following a negative growth of 7.2 percent in 1993 as coal production continued to fall. Output of iron ore and other minerals also plummeted sharply.

As a result, North Korea suffered growing difficulty in energy supply and its foreign currency shortage became severer, according to the central bank.

North Korea's manufacturing output recorded a negative gain of 3.8 percent last year as industrial activity remained sluggish due to the energy crisis. The North's oil imports plunged 33.1 percent last year from 1993.

Comparison of South, North Korean Economic Indicators

	unit	NK (A)	ROK (B)	B/A
Population	1,000 persons	22,935	44,453	1.9
Current GNP	$100 mil.	212	3,769	17.8
		(205)	(3,308)	(16.1)
Per Capita GNP	$	923	8,483	9.2
		(904)	(7,513)	(8.3)
Economic Growth	%	-1.7	8.2	-
		(-4.3)	(5.8)	(-)
Trade	$100 mil.	21.1	1983.6	94.0
Exports	$100 mil.	8.4	960.1	114.3
Imports	$100 mil.	12.7	1,023.5	80.6
FX Rate	won/$	2.198	803.02	-
Foreign Debt	$100 mil.	106.6	568.5	5.3
Ratio of Debt to Current GNP	%	50.3	15.1	

	unit	NK (A)	ROK (B)	B/A
Budget	$100 mil.	188.8	538.2	2.9
Defense Cost	$100 mil.	56.6	130.3	2.3
Industrial Output				
Coal	10,000 tons	2,540	744	0.3
Electricity	100 mil.kwh	231.3	1,650	7.1
Oil Imports	10,000 tons	91	7,803	85.7
Automobiles	10,000	1.0	231.2	231.2
Steel	10,000 tons	172.8	3,374.5	19.5
Cement	10,000 tons	433.0	5,073.0	11.7
Grain Output	10,000 tons	412.5	574.4	1.4
(Rice)	10,000 tons	150.2	506.0	3.4
Railway	km	5,112	6,559	1.3
Roads	km	23,219	73,833	3.2
Harbor Capacity	10,000 tons	3,501	27,620	7.9

Parentheses indicate 1993 figures.

DPRK's Asia-Pacific Peace Committee Profiled

SK2106092095 Seoul KYONGHYANG SINMUN in Korean 21 Jun 95 p 3

[By reporter Yi Sung-chol]

[FBIS Translated Text] The rice talks in Beijing have brought North Korea's Asia-Pacific Peace Committee into the spotlight of inter-Korean relations.

The existence of the Asia-Pacific Peace Committee was disclosed for the first time on 6 July in 1994, two days before Kim Il-song's death, by the North Korean Central Broadcasting Network.

At the time, the North Korean Central Broadcasting Network reported: Kim Yong-sun, chairman of the Korean Asia-Pacific Peace Committee, met Kaoru Nakamaru, director of the Japanese Institute for the Study of International Affairs, on a visit to our country.

The mostly widely accepted view about this organization is that North Korea established the Asia-Pacific Peace Committee in 1993 as an auxiliary organ of the North Korean Workers Party [WPK] to conduct southern diplomacy against South Korea's northern policy.

A diplomatic source observed: North Korea named it the Asia-Pacific Peace Committee because the countries with which North Korea has no diplomatic relations, including the United States and Japan, are located mostly in the Asia-Pacific region.

The organization made its full-fledged appearance again at the Pyongyang International Sports and Cultural Festival in April.

Kim Yong-sun prepared the event jointly with Kanji Inoki, member of the Japanese House of Councilors, from September 1994 in his capacity as chairman of the Asia-Pacific Peace Committee. Since then, Kim Yong-sun has been using this title whenever he engages in southward propaganda broadcasts, including a proposal for the joint holding of the national liberation anniversary celebrations this August.

Judging from this, we can assume that although this organization's initial mission was to improve relations with the countries with which North Korea has no diplomatic relations, particularly the United States and Japan, it has been gradually expanding its activities into southward operations as well.

Currently, the chairman of this organization is Kim Yong-sun, WPK secretary in charge of international affairs, and its vice chairmen are Chon Kum-chol, North Korean delegate to the Beijing rice talks, and Yi Chong-hyok, who was the North Korean delegate to a secret negotiation with Kosuke Hori, chairman of the Liberal Democratic Party's Policy Affairs Research Council, for the establishment of diplomatic relations between North Korea and Japan held in Singapore in February.

Yi Chong-hyok is the author of the novel "The Tumen River" and son of Yi Ki-yong, a writer well known in the South as well. In addition to the negotiations for diplomatic relations between North Korea and Japan, Yi is briskly engaged in various activities, such as officially visiting the United States in February and arranging a visit to North Korea of a U.S. university president group early this month.

Environment Discussed With PRC Scientists

SK2106033695 Seoul THE KOREA TIMES in English 21 Jun 95 p 3

[FBIS Transcribed Text] Scientists from Korea and China delved into the meteorological and environmental issues surrounding the Yellow Sea yesterday at the Tower Hotel in Seoul.

Subjects discussed in the day-long session were a numerical model for dust storm prediction, aerosol dry-deposition, variability of seasonal air-flows, atmospheric ozone variation over China and photochemical air pollution in Korea among others.

Chinese participants include Hong Zhongxiang of the Institute of Atmospheric Physics of the China Academy of Sciences, Ning Datong of the Institute of Beijing Normal University, and Chen Shoujun, a researcher at the Korea-China Center for Atmospheric Research (C-KAR) at the Korea National University of Education.

Couple Released From Police Custody in Mongolia

SK2106070095 Seoul YONHAP in English 0558 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — A South Korean couple detained last week by local police in Ulaanbaatar, Mongolia, for assault charges was released Tuesday, a Foreign Ministry spokesman said Wednesday.

A Korean restaurant owner Yi Kang-hong, 44, and his wife Pak Pok-nam, 39, were released when the South Korean Embassy presented local police with a special directive providing for the release of the couple which the embassy obtained from the local prosecution, the spokesman said.

The couple was taken into police custody last Friday after a dispute with a group of Mongolians regarding their food charges at Yi's restaurant in the Mongolian capital erupted into a physical clash.

Foreign Supervision of Construction Work Okayed

SK2106035195 Seoul YONHAP in English 0157 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The government has decided to allow foreign engineers to supervise major construction works here beginning in the second half of this year, the Construction and Transportation Ministry said Wednesday.

The ministry said it will select foreign construction businesses to supervise, or assist in the supervision of, more than 30 major construction projects, including the construction of a bridge connecting Yongjong Island's new international airport and the mainland near Inchon and one section of a high-speed railway between Seoul and Taejon now under construction.

The decision is designed to promote better construction practices and improve the technology of South Korean construction supervising businesses.

Subject to foreign supervision are the projects that require high-technology or were contracted at a relatively low price among the construction orders placed by affiliated organizations of the construction and Transportation Ministry, including Regional Construction and Management Agency, the Korean National Railroad, and the Korea Maritime and Port Administration.

In the second half of this year, the government will allow foreign engineers [to] supervise the construction of the bridge connecting Yongjong Island to the mainland and the Seoul-Chonan section of the Seoul-Pusan high-speed railway.

Remains of 7 'Freedom Fighters' Returned

SK2106082895 Seoul YONHAP in English 0742 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The remains of seven freedom fighters who died in foreign countries during Japanese colonial rule were returned to South Korea Wednesday afternoon via Kimpo International Airport.

The seven heroic fighters whose remains were returned from China, Japan and the Unites States, were O Yong-son, Yang Ki-ha, Yun Hyon-chin, Cha To-son, Chon Po-nak, Chong Han-kyong and Chong Chan-chin.

Their remains were met at the airport by Minister of Patriots and Veterans Affairs Hwang Chang-pyong and some 200 bereaved families and relatives, before being moved and temporarily laid at the National Cemetery in Tongjak-tong, Seoul.

The remains of O and Yang will be laid to rest at the Tongjak-tong National Cemetery on Thursday, and those of others at the Taejon National Cemetery on Friday, with Prime Minister Yi Hong-ku presiding over the burial services.

The latest arrival brings the total number of freedom fighters whose remains have been returned to 45, one-third of the total 135 who have been laid to rest in foreign countries.

Daewoo Worker Commits Suicide for Higher Wages

SK2106085495 Seoul YONHAP in English
0831 GMT 21 Jun 95

[FBIS Transcribed Text] Koje, South Kyongsang Province, June 21 (YONHAP) — A worker at Daewoo Shipbuilding and Heavy Machinery, Ltd. burned himself to death on Wednesday, urging the company to accept the labor union's demand for a wage hike.

Witnesses said they saw flames shooting up from the roof of a restaurant building at about 12:50 pm and that they rushed up to the roof only to find Pak Sam-hun, 41, moaning in flames. Pak died as soon as he was moved to a nearby hospital.

He left more than 20 suicide notes on the roof, which said, "I cannot live anymore on such small pay. The trade union's demands for a wage hike should be accepted at face value."

Meanwhile, Daewoo's trade union is expected to report the outbreak of a labor dispute to the Koje City authorities and the Tongyong district labor office Thursday.

Ministry Reports Number of Eligible Voters

SK2106085595 Seoul YONHAP in English
0837 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The total number of eligible voters in the June 27 local elections stands at 31,048,566, or 68.1 percent of the country's total population of 45,571,787, the Home Ministry announced Wednesday.

The figure shows a 5.5-percent increase over that of voters in the 1992 presidential election.

Women voters account for 50.8 percent of the total, according to the ministry's final tally of qualified voters.

Voters in their 20s accounted for 29 percent of the total, followed by 30s with 27.6 percent, 40s with 17.2 percent, 50s with 14.2 percent, while 60s and older represented 12 percent.

Seoul topped the list of eligible voters with 7,438,025, followed by Kyonggi Province with 5,043,054, Pusan with 2,658,224 and South Kyongsang Province with 2,621,029.

The oldest eligible voter is a Ms. Choe, 138, who is living in Chorwon, Kangwon Province.

Reaction to Kim Yong-sam on 'Generational Shift'

Opposition Leaders Comment

SK2106044095 Seoul YONHAP in English
0243 GMT 21 Jun 95

[FBIS Transcribed Text] Kongju, South Chungchong Province, June 21 (YONHAP) — Opposition Democratic Party President Yi Ki-taek put aside the generational shift issue Wednesday, saying that public debate of the issue is not desirable when the local elections are only a week away.

Meeting reporters during his stumping tour here, he said the debate on this issue should be put aside until the elections are over.

President Kim Yong-sam raised the issue in a recent interview with the U.S. weekly TIME magazine. Meanwhile Democratic Party Vice President Yi Pu-yong in a recent speech in Pusan called on chairman Kim Tae-chung of the Asia-Pacific Peace Foundation, now on a stumping tour of the Cholla area garnering support for democratic candidates, to retire from politics to allow for a generational shift in politics.

Regarding the possibility of forming a united anti-Democratic Liberal Party front with the United Liberal Democrats, President Yi said such a front would only confuse the voters who have already decided to vote for opposition candidates.

Asked about Kim Tae-chung's stumping tours, Yi said Kim's barnstorming would pose no problem if his speeches help make the Democratic Party a national party as the only opposition force capable of assuming power.

"In some areas we need his help but in other areas we don't," he added.

Yi said, "it's good to note the elections are being prepared in a more calm and orderly manner than expected," adding, however, that some government agencies have lost their political neutrality in several areas.

'Heated Exchanges' Between Parties

SK2106075795 Seoul YONHAP in English
0733 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — The ruling and opposition parties continued their heated exchanges of verbal attacks concerning the so-called "generational shift" in the nation's political front on Wednesday while stumping for the upcoming local elections.

Kim Tok-yong, secretary-general of the ruling Democratic Liberal Party (DLP), in his stumping speech given to voters in South Cholla Province, urged former opposition leader Kim Tae-chung to "completely" retire from the political world.

While stumping in Naju City, Kim Tok-yong accused the so-called "two Kims" — Kim Tae-chung and Kim Chong-pil, president of the opposition United Liberal Democrats (ULD) — of "trying to turn the local elections into a preliminary round of the 1997 presidential election."

The ruling party leader emphasized that a generational shift based on the retirement of the two Kims from politics is "inevitable."

DLP Chairman Yi Chun-ku, stumping Uijongbu and Tongduchon in Kyonggi Province, contended that the South Korean people now want a generational shift in the political leadership.

"I heartily ask them, the two Kims I mean, not to twist or obstruct the normal current of our history," Yi said.

However, Kim Tae-chung, chairman of the Peace Foundation for the Asia-Pacific Region, said, "President Kim Yong-sam is unqualified to tell me about a generational shift or to insist that (my) retirement from politics is unchangeable.

"When President Kim announced his retirement from politics in October 1980, he dismissed then-spokesman Pak Kwon-hum because the latter refused to write his retirement statement. So President Kim is not qualified to talk about a generational shift. I will take care of my own business," he said during his stump speeches in Hampyong and Yonggwang Counties in South Cholla Province.

Kim Chong-pil Criticizes Kim Yong-sam

SK2106070295 Seoul YONHAP in English 0503 GMT 21 Jun 95

[FBIS Transcribed Text] Seoul, June 21 (YONHAP) — Kim Chong-pil, president of the United Liberal Democrats (ULD), on Wednesday voiced his objection to any artificial method of a generational shift in politics, asserting that, "the generational change cannot be made artificially by any particular person or a certain group, for their own convenience."

In a meeting held with reporters at the party's head office in Mapo, Seoul, Kim added that the generational shift will be realized "when time and conditions are ripe."

As to the alliance of all opposition forces during the ongoing election campaigns for the June 27 local polls, he hinted at the possibility the ULD would support the main opposition Democratic Party candidate Cho Sun in the mayoral election of Seoul, stating, "as the ULD did not put up its own candidate for the Seoul mayoral post, we are obliged to clarify our position so that the ULD supporters could exercise their rights properly and select a new mayor prudently."

Commenting on the allegation that the ULD is fostering regionalism during the current election campaigns, Kim refuted the accusation by saying, "it is just part of the process for achieving a democratic local autonomous system."

In connection with South Korea's rice aid to North Korea, Kim welcomed the idea saying it will provide the needed momentum for South and North Korea to coexist, as well as provide for the recovery of their faith and homogeneousness.

Burma

Myo Nyunt Urges Defense To Increase Vigilence

BK1706102995 Bangkok THE NATION in English 16 Jun 95 p a10

[Report by Aung Zaw]

[FBIS Transcribed Text] In a warning seen as a sign of renewed suppression of dissidence, Lt Gen [Lieutenant General] Myo Nyunt, head of the Rangoon Command, has urged members of the Burmese Defense Services to increase their vigilance.

Gen Myo Nyunt claimed that foreign broadcasting stations have been instigating anti-government activities and that some party members engaged in illegal activities had been holding secret meetings at the Shwedagon Pagoda platform.

Nyunt's warning was the main theme on Tuesday at the first quarterly coordinating meeting of the general staff, adjutant general's staff and the quartermaster's staff of the Rangoon Command.

The Rangoon commander stressed the need for officers to be on guard and to systematically implement the following:

— keep in constant touch with the rank and file;

— enforce close supervision and control;
— maintain the chain of command;

Nyunt's warning followed the arrest of five political activists on June 1. They were Kyi Maung, 76, a leading member of the National League for Democracy, U Thu Wai, U Aye Maung, U Htun Shwe and Dr Tha Hla. They were arrested together at Dr Tha Hla's residence.

Sources in Rangoon claimed that the five were not holding a meeting but were just there for social talks. "They meet every week at Dr Tha Hla's house and then proceed to Shwedagon Pagoda to pray," one source said. "They do this regularly and politics is not discussed."

Observers in Rangoon believe way [as published], Lt Gen Myo Nyunt's speech was indirectly referring to Kyi Maung and his friends.

"How could they possibly meet secretly at Shwedagon pagoda? I don't think they are idiots," a source added. Kyi Maung, who was released in March, met U.S. Rep Bill Richardson recently in Rangoon. "That could be the reason why the military picked him up," the source said.

Rep Richardson was denied permission to meet with opposition leader Aung San Suu Kyi. He was able to speak with intelligence chief Lt Gen Khin Nyunt and 12 ambassadors as well as some opposition leaders whom Richardson declined to name for security reasons. However, he told the Voice of America recently that "some of the members of the opposition whom I met in Burma were jailed soon after I left. I think that's really a sign of repression and I'm very disappointed."

But last week, Kyi Maung was freed. His family said he was well and in good spirits, although they did not provide additional details about his detention. His four companions have not been released.

Several sources in Rangoon suggested that the four, including Dr Tha Hla, should be released soon as they are old and sick. The four are believed to be in their 70s and family members are seriously concerned about their health.

Analysts said the low-profile crackdown coincides with the approaching seventh anniversary of the democracy uprising. "SLORC [State Law and Order Restoration Council] is afraid that something might erupt. That is why they are ensuring that all potential activists are kept in check," a Rangoon source said.

KNU's Bo Mya Said Behind Plot Against Abbot

BK1706095695 Rangoon TV Myanmar Network in Burmese 1330 GMT 15 Jun 95

[FBIS Translated Text] Bo Mya's KNU [Karen National Union] insurgent organization, which has disregarded the peace, tranquility, and regional development of the people of the Karen State, has only engaged in destructive activities such as murder, banditry, extortion, planting of mines, and rape. Followers of Sayadaw [Abbot] U Thuzana of Myainggyingu Temple, Hlaingbwe, Karen State, and some armed members of the KNU who desired peace, tranquility, and regional development opposed and left Bo Mya's KNU insurgent organization and formed the progressive Buddhist organization, the Democratic Karen Buddhist Organization [DKBO] on 21 December 1994.

The DKBO attacked and captured the Central Headquarters of the KNU in Manerplaw on 27 January 1995 and Kawmura or New Wangkha camp on 21 February 1995, depriving Bo Mya and KNU leaders of their base camps, turning them into refugees, and causing them to leave the KNU in disarray, with many KNU rank and file joining the DKBO. Bo Mya blamed the Myainggyingu Sayadaw for the disintegration of the KNU and secretly planned a wicked and depraved plot to assassinate the Myainggyingu Sayadaw. In accordance with the plot, Bo Mya formed a new unit called the Karen National Liberation Army's Ariya Weikza [saint with supernatural powers] Unit-1 on 12 February 1995 and KNU Sayadaw Nai Maung Hla gave the assassination assignment to a group called the White Headgear Group.

A total of 47 KNU members from Nai Maung Hla's White Headgear Group led by Kyaw Kyaw, who holds the rank of lieutenant, and two hermits surrendered along with 11 weapons — four M-16 assault rifles, three AK-47 assault rifles, one PA-63 rifles, one long-barrel rifle, one long nine-barrel gun, and one short nine-barrel gun — and one communications set at Tali garrison at 1730 on 11 June 1995.

According to their disclosures, Bo Mya formed an assasination squad composed of 60 members, including themselves and Nai Maung Hla of the White Headband group, to assassinate Myainggyingu Sayadaw. Although they did not dare to defy Bo Mya's orders, none of them were willing to implement his orders. It is learned that even at the time of the KNU's disintegration, its leaders continued to be avaricious, unscrupulous, and self-seeking and kept the rank and file organized with a promise of peace. The rank and file had lost faith in the KNU leadership for a long time and had wanted to surrender, but were held back by fear of retaliation against their family members. They said they eventually surrendered because circumstances allowed them to and because they had come to understand and accept the goodwill of the State Law and Order Restoration Council government toward the indigenous organizations.

Agreement With PRC for Broadcast Stations

BK1706135995 Rangoon THE NEW LIGHT OF MYANMAR in English 14 Jun 95 p 6

[FBIS Transcribed Text] Officials of the Myanma [Burma] TV [Television] and Radio Department [MTRD] and China Commercial Corporation for International Economic and Technical Cooperation of the People's Republic of China signed an document on building of five retransmission stations in Loikaw, Pegu, Monywa, Bogale and Labutta townships.

Under the agreement, technicians of both departments will jointly conduct survey and designing for building of one-kilowatt power station, with 90-metre tower, in Loikaw, five-kilowatt power station, with 110-metre tower, in Pegu, three-kilowatt power station, with 100-metre tower, in Monywa, three-kilowatt power station, with 120-metre tower, in Bogale, and one-kilowatt power station, with 110-metre tower, in Labutta.

Director-General U Kyi Lwin of MTRD and Commercial Counsellor Mr Chen Shijie of PRC Embassy, signed the documents.

Director-General U Thein Aung Lwin of Foreign Economic Relations Department, Charge d'affaires ai [ad interim] of PRC Embassy Mr Yu Tiegen, First Secretary Mr Jiang Yong Ren, Third Secretary Mr Wang Shicai and other officials were also present.

Cambodia

Human Rights Groups Critical of Press Law

BK2106065495 Hong Kong AFP in English 0437 GMT 21 Jun 95

[FBIS Transcribed Text] Phnom Penh, June 21 (AFP) — Cambodia's draft press law came under heavy criticism Wednesday with international human rights groups and a United Nations representative saying it places substantial restrictions on the freedom of speech.

Parliament is scheduled to begin debate Thursday on the draft, which includes heavy fines and potential jail terms for media outlets which publish material that "affects national security or political stability."

While noting that certain improvements to earlier drafts had been made, Amnesty International, Human Rights Watch-Asia and the UN special representative for human rights in Cambodia said the law does not meet the standards set by international agreements signed by the government.

Though international law allows government restrictions on speech to protect national security and public order, the draft goes further, the gro@ps said in statements released Wednesday.

"The draft law goes far beyond this limit, prohibiting speech which only has a potential to 'affect' national security and 'political stability'," Washington-based Human Rights Watch-Asia said in a letter to National Assembly Chairman Chea Sim.

"Virtually any reporting on public affairs has this potential. This provision would outlaw publication of anything potentially controversial to the government, a restriction that is totally incompatible with Cambodia's constitutional and international commitments."

Amnesty International, based in London, agreed, saying: "As currently drafted, the law allows for imprisonment in violation of international law of prisoners of conscience."

Australian judge Michael Kirby, the UN human rights representative for Cambodia, said that the term "political stability" was not a legal term and should not be included in the law.

"It lends itself to use in an arbitrary manner to suppress criticism or dissenting views," Kirby said in a letter to the country's top political leaders.

In addition, the two groups and Kirby said they were concerned that provisions allowing for the Ministries of Interior and Information to confiscate newspapers and suspend their publication without court permission violated the Cambodian Constitution and international agreements of freedom of speech.

"Confiscation and suspension are very serious penalties," Kirby said. "They require careful consideration by the courts before they take place."

He added that the constitution, approved two years ago gives only judges the right to adjudicate. "Indeed, this is the essence of the rule of law.

Sam Rangsi Challenges Expulsion From Assembly

BK2106043795 Hong Kong AFP in English 0425 GMT 21 Jun 95

[Report by Matthew Lee]

[FBIS Transcribed Text] Phnom Penh, June 21 (AFP) — Former Cambodian finance minister Sam Rangsi, who has been expelled from parliament, on Wednesday said he would not relinquish his seat without a fight and accused officials of forging the document used to oust him.

In addition, Rangsi has requested a review of his dismissal by the International Parliamentary Union which has backed his claim that he cannot be expelled from the National Assembly if elected into it.

The group has announced it will hold hearings on the matter from July 11-14 in Geneva.

"This is not the end of Rangsi's case," the outspoken politician told AFP, adding that it was "only the beginning."

Rangsi said he would leave Cambodia on Friday on a previously planned trip to Japan, the United States, Canada, France and Belgium and include a stop in Switzerland to attend the hearings.

While the union's decision may affect Cambodia's pending application for membership, it will not be binding, according to legal experts.

Rangsi, an outspoken critic of government corruption, was expelled by the permanent committee of the National Assembly after members of the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, for whom he ran in the May 1993 UN-sponsored elections, signed a petition for his removal and delivered it to Assembly Chairman Chea Sim.

Rangsi's ouster is expected to be publicly announced in parliament on Thursday.

The petition was apparently signed by FUNCINPEC members of parliament at a June 8 meeting at the home of party leader and First Prime Minister Prince Norodom Ranariddh.

However, one MP [member of parliament] whose signature appears on the list told AFP he never signed the petition and Rangsi alleges that the list is actually an attendance record of a FUNCINPEC meeting with a new title affixed to the top.

"This paper is a forgery," said the MP who requested anonymity because he said he feared for his safety. "I did not sign a document asking that Sam Rangsi be removed from parliament. I signed only an attendance record."

FUNCINPEC General-Secretary Prince Norodom Sirivut, the half-brother of King Norodom Sihanouk whose name also appears on the list, told THE CAMBODIA DAILY that he also did not sign the petition.

Rangsi, in a statement Wednesday, said: "This desperate effort by the FUNCINPEC party leadership to forge a document and to use underhanded and illegal methods in their attempt to expel me from the National Assembly reveals the weakness of the grounds advanced for my expulsion and the moral bankruptcy of the FUNCINPEC leadership."

But Prince Ranariddh's cabinet chief, Ly Thuch, accused Rangsi of "lying" in a desperate attempt to keep his seat.

"First of all, he lies," Ly Thuch told AFP. "Second, all the FUNCINPEC MPs who were in Phnom Penh at the time signed the petition supporting the party leadership."

Ly Thuch said he would not speculate on why MPs were denying they signed the petition, but hinted they may be trying to avoid criticism for Rangsi's dismissal saying: "We must all be courageous after we put down our names to something."

Khmer Rouge Radio Reports on Rangsi Expulsion

BK2106021695 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 20 Jun 95

[FBIS Translated Text] Sam Rangsi has said that he will never surrender to the archcorrupt traitors.

Recently, the traitor Ranariddh revealed through one of his cronies that if Sam Rangsi surrenders to him, stops denouncing his corruption and treason, and agrees to become a puppet of the puppet Hun Sen like him, then he will not expel Sam Rangsi from FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia].

Opinions in Phnom Penh said that Sam Rangsi is not a satellite of Vietnam. He abides by the rules and the policy of FUNCINPEC. Unlike Ranariddh, he is not power hungry and does not kowtow to communist Vietnam. He has opposed the widespread corruption in the two-headed government of Hun Sen and Ranariddh since the time he controlled the two-headed Ministry of Finance. He cannot condone the nation-selling and nation-killing activities of the Hun Sen- Ranariddh clique. In a recent interview with an AGENCE-FRANCE PRESSE correspondent, he clearly stressed that he will never yield to these traitors.

KR Claim 4 Foreigners Killed in 18 Jun Attack

BK2106031195 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 20 Jun 95

[FBIS Translated Text] It was reported that the National Army and people had attacked and destroyed a two-headed engineering unit, which also comprised Australian, French, and Japanese experts and was positioned at Phnum Ta Ngel in Cheung Prey District on the North Phnom Penh battlefield.

On the night of 18 June, the National Army and people attacked and destroyed a position of the two-headed engineering corps which also employed Australian, French, and Japanese experts. After 20 minutes of fighting, we overran and occupied this position. As a result, we killed 10 two-headed engineering troops, including two regimental commanders and four long-noses [foreigners]; destroyed 23 heavy machineries and trucks, including 10 large trucks, one big crane, 12 small trucks, three backhoes and graders, and three motrcycles; and burned 1,000 liters of diesel oil and some other equipment. We also destroyed three AK's, one B-40, one RPK, one telephone, four barracks, and some other materiel. We seized two ICOM-229 walkie-talkies, one antenna, one telephone, and some war materiel.

Eight Die as Khmer Rouge Shell Poipet Market

BK2106041695 Bangkok BANGKOK POST in English 21 Jun 95 p 6

[FBIS Transcribed Text] Banteay Meanchey, Cambodia — Eight Cambodians died and six others were seriously wounded when Khmer Rouge guerrillas pounded Poipet market with 120mm mortar shells yesterday, according to a Thai military source.

The shells landed along Route 5 at Ban Sakradan, about three kilometres southeast of Poipet, killing three people. Five others were pronounced dead on the way to hospital while six villagers were seriously wounded by shrapnel.

The dead includes two 6 year-old girls three women and three men.

Recent reports that about 500 Khmer Rouge guerrillas are planning to attack a Cambodian stronghold on Route 5 between Poipet market and Banteay Meanchey Province had prompted some 3 000 wealthy traders to close shop and evacuate to other provinces.

But more than 20 000 poor Cambodians mostly general workers, are still risking their lives by staying at Poipet town as they have no other place to go.

Burapha Task Force officials said the Khmer Rouge staged an unusual move near the border, with about 500 troops from the 362nd Division (formerly the 320th Division) yesterday reinforcing the 365th Division (formerly the 450th Division).

This prompted Thailand to deploy troops along the border, particularly at a southern part of Sa Kaeo's Aranyaprathet District to cope with possible incursions.

It was also reported that a large number of Cambodians especially those who live opposite Ta Phraya District, crossed the border illegally into Thailand to flee the attacks and also to make a living as farm workers.

Army Drops Leaflets Urging KR Defections

BK2106112495 Hong Kong AFP in English 1016 GMT 21 Jun 95

[FBIS Transcribed Text] Phnom Penh, June 21 (AFP) — The Royal Cambodian Armed Forces have dropped more than 500,000 leaflets on Khmer Rouge [KR] controlled areas urging the guerrillas and their families to defect to the government, a senior Army official said Wednesday.

The leaflets, containing an appeal from King Norodom Sihanouk calling for the guerrillas to lay down their arms and rejoin society, were dropped from military helicopters last week, General Preap Tan, chief of psychological warfare operations, told AFP.

The guerrillas' major strongholds such as Pailin and Phnum Malai in the northwest and Anlung Veng and Preah Vihear in the remote north of the country had all been bombarded with the leaflets, Preap Tan said, adding that other smaller jungle bases had also been targetted.

"With the appeal of the king, we still expect that many Khmer Rouge soldiers and their families will lay down their weapons and join us," said Preap Tan.

Further leaflets would be dropped next week, a Ministry of Information statement said. The government has used this tactic on a number of previous occasions.

Parliament passed a tough bill outlawing the Khmer Rouge last July but the legislation allowed for a six month amnesty period to entice the rebels to defect.

Around 5,000 guerrillas and their families did defect, dealing a significant blow to the radical faction which continues to wage a low-intensity guerrilla war against the government installed following May 1993 UN-supervised elections.

Preap Tan, however, said that the numbers of defectors were on the decrease compared with last year and also added that some 59 defectors had disappeared back into the bush to rejoin their former units.

Although the defections have been lauded as a major success and have certainly dealt a blow to the guerrilla movement, some government officials have admitted that many of the defectors were militia or reservists and not seasoned hardcore guerrilla fighters.

Khmer Rouge 'Minister' Blasts SRV 'Aggression'

BK2006153395 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 19 Jun 95

["News conference" by Mak Ben, minister in charge of rural areas, agriculture, and water conservancy and representative of the Provisional Government of National Union and National Salvation, with unidentified correspondents on 19 June; place not given — recorded]

[FBIS Translated Text] [Mak Ben] My respects to all my compatriots. On Monday, 19 June, the cabinet of the Provisional Government of National Union and National Salvation [PGNUNS] examined and discussed the territorial integrity of our border areas that have been grabbed by communist Vietnam.

The PGNUNS cabinet would like to bring this issue to the attention of our nation and people at home and abroad so we can take joint responsibility for the destiny of the Cambodian nation, people, and race; fight to defend our nation, people, and territorial integrity; and prevent communist Vietnam from nibbling at our country and swallowing it piece by piece until it is completely wiped out like Kampuchea Kraom [former Cambodian territory annexed by Vietnam].

According to reports from local committees and inhabitants in the eastern border regions, it is evident that a 10-50 km strip of our territory along the border has been grabbed by communist Vietnam; that the border has been completely eliminated; that Vietnamese are crossing the border back and forth freely; that Vietnamese have built houses, cut trees, and caught fish on Cambodian territory; and that Vietnamese have evicted our people from their villages and districts, for example in Memot and Krek, where the Vietnamese have seized our land and evicted or killed our people in a most savage manner. This has happened in other places as well. The Vietnamese have dug ditches and canals, set up new border markers, and built army and police posts and barracks on Cambodian land. Communist Vietnam has also annexed much of our sea and island territory. The generally recognized Brevie Line [border recognized in 1967] has thus been dismantled by communist Vietnam. This constitutes an enormous crime against the Cambodian nation, people, and history. It is a gross and savage violation of the Cambodian people's sovereignty, territorial integrity, and right to self-determination. UNTAC [UN Transitional Authority in Cambodia] and the villainous alliance have lent an evil hand in this affair by aiding the archcriminal communist Vietnamese, its puppets, and the two-headed government. UNTAC and the alliance have violated the Paris agreement. They have maintained the presence of communist Vietnamese forces. They have allowed them to continue their aggression and occupation of Cambodia and to demolish Cambodia's border.

All of us are very hurt by this. We are hurt because our sworn enemy has been tearing at our flesh, sucking our blood, and crushing our bones in his bloody jaws. This painful feeling has encouraged us to wage a life-and-death struggle. No one should remain idle. If you do not struggle you will die; if you struggle you will live. Fighting means saving the nation; salvaging the nation. At this juncture, if we do not fight, our nation will surely be devoured by communist Vietnam, just like Kampuchea Kraom before.

Let us recognize how great the chances are that our nation and race will be wiped out. Communist Vietnam has waged a war of aggression as well as a demographic war, a political war, an economic war, a propaganda war, a war of nerves, a psychological war, and a pacification war that has corrupted and putrefied Cambodian society for 16-17 years with no end in sight. Moreover, the two-headed government and the alliance are continuing this war. Vietnamese nationals are swamping the country, the border has been demolished, and the Vietnamese are grabbing our land at will. This problem seriously affects Cambodia's sovereignty and territorial integrity. At the same time, it also affects the livelihood of millions of our people who have lost land, homes, paddies, orchards, lakes, ponds, and rivers to communist Vietnam and over 4 million Vietnamese immigrants. This is why our nation and people at home and abroad, both in Phnom Penh and in the countryside, have risen up and waged a struggle against communist Vietnam and its out-and-out lackeys in the two-headed government.

The PGNUNS and the National Union Party [NUP] have joined the entire nation and people in a struggle to defend our country's territorial integrity and perpetuate our nation, people, and race. The national and racial anger that is burning in the hearts of all Cambodian patriots, free Cambodians, masses, personalities, journalists, students, intellectuals, workers, and peasants is being transformed into a fighting force operating in all forms and places in a drive to terminate the two-headed government and end the war for the sake of peace, national reconciliation, and national unity within the framework of an independent, peaceful, democratic, and neutral Cambodia with all its territory intact.

The PGNUNS and NUP firmly believe that the force of the nation and people will absolutely prevail over the brute force of the enemy aggressors and their lackeys.

The resolute stance of the PGNUNS and NUP is to struggle for the following:

1. Communist Vietnam must absolutely end its war of aggression against Cambodia.

2. Communist Vietnam must return to Cambodia all the territory it has seized — including all the land, water, sea, and island territory.

3. Communist Vietnam must withdraw all Vietnamese nationals from Cambodia in line with international law as observed in all countries throughout the world.

4. Communist Vietnam must respect Cambodia's sovereignty and territorial integrity according to the 1:100,000 scale map that Pham Van Dong, prime minister of the Democratic Republic of Vietnam, and Nguyen Huu Tho, chairman of the Presidium of the South Vietnam Liberation Front, officially and solemnly recognized in 1967.

5. The PGNUNS and NUP resolutely reject and declare null and void all agreements contained in treaties concerning Cambodia's border and territorial integrity that the communist Vietnamese puppet administration and the two-headed government have signed with their boss, communist Vietnam.

That is the result of the PGNUNS cabinet meeting on Monday, 19 June, that I would like to relate to all my compatriots.

[Correspondent] Thank you, Excellency. I am a representative of the PGNUNS radio. Here is my question: Communist Vietnam and the puppet Hun Sen have sent Ranariddh to Hanoi to negotiate the border problems with Vietnamese Prime Minister Vo Van Kiet. What is the stance of the PGNUNS on this?

[Mak Ben] 1. Communist Vietnam must return Cambodian territory to Cambodia.

2. Talk cannot be held on an equal footing between boss and lackey.

3. Cambodia's territorial integrity is non-negotiable. Communist Vietnam must respect Cambodia's territorial integrity, which has been recognized internationally and which Vietnam itself officially and solemnly recognized in the declaration by Vietnamese Prime Minister Pham Van Dong on 8 June 1967.

4. Only after there is a genuinely national government can Cambodia win its border territory back from communist Vietnam.

[Correspondent] It has been reported that people from many provinces are going to Phnom Penh by the thousands every day to hold protest demonstrations in front of the National Assembly and the houses of Hun Sen, Chea Sim, and Ranariddh and to demand land and rice. What is the stance of the PGNUNS on this issue?

[Mak Ben] The loss of land and hunger being suffered by the people constitutes a life-and-death issue. The people fought and lodged protests with the village, commune, district, and provincial authorities previously, but to no avail. Now they are going to Phnom Penh to fight in the very crux of this social crisis.

The people are starving because of the war of communist Vietnam, the two-headed government, and the alliance; because Vietnamese nationals have grabbed all their land; and because the traitorous authorities have grabbed all their land. The people can no longer tolerate it. They are rebelling. If they do not fight they will die; if they fight they will survive. There are countless struggle movements among the people. The issue of land and hunger can never be solved because on the one hand, the two-headed government continues to fuel the war of communist Vietnam and the alliance; on the other, the two-headed government has sold itself as a lackey of communist Vietnam, betrayed the nation, sold the nation, and is extremely corrupt. As a result, Vietnamese nationals continue to come to Cambodia to grab and swallow Cambodian territory, conscript people to fight and die for them, and consequently create utter poverty and famine. No one should remain idle; only by fighting can we survive and save the nation and people.

BLDP Congress To Address Leadership Conflict

BK2106070595 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 21 Jun 95 pp 1, 11

[FBIS Summary] At the initiative of Ieng Muli and a majority group, the internal conflict within the Buddhist Liberal Democratic Party [BLDP] will soon be resolved. This solution may see Son Sann and Son Soubert expelled from the party leadership.

A party high-ranking official told REAKSMEI KAMPUCHEA that a BLDP congress will be convened not later than July to resolve the issue, reorganize the party structure, and set the party's goal.

A meeting on 17 June, chaired by Ieng Muli and attended by 18 members of the executive committee and 218 representatives from provinces and cities, again rejected the decision by Son Sann and the group of five members taken on 13 May to expel Ieng Muli from the post of party vice chairman, saying that the decision was in violation of the party's statute. The meeting decided to consolidate and urgently activate party committees in provinces, cities, districts, and communes, and to set a date for the coming party congress. A high-ranking party official also told REAKSMEI KAMPUCHEA that Ieng Muli will be a candidate for party chairmanship in the coming party congress.

It is noteworthy that Son Sann and the group of five were absent at the 17 June meeting. No one can say whether they would attend the coming congress and compete in the election for party leaders.

Daily Cites Rice Seed Shortage in Provinces

BK2106091695

[FBIS Editorial Report] Phnom Penh REAKSMEI KAMPUCHEA in Cambodian in its 19-20 June issue on page 4, and 21 June issue also on page 4, carries two reports on the shortage of rice seeds in some Cambodian provinces.

In the 19-20 June issue, the paper reports that this rainy season farmers in Kompong Thom, Prey Veng, Pursat, and Siem Reap Provinces are short of rice seeds. The report also cites Deputy Agriculture Minister Chan Tong-iv as having told the paper on 16 June that to alleviate this problem the Agriculture Ministry has so far bought nearly 6,000 tonnes of all types of rice seeds with the assistance of the FAO [UN Food and Agriculture Organization]. The ministry is seeking funds to buy an additional 2,000 tonnes of rice seeds for this rainy season.

The report in the 21 June issue says farmers in Kaoh Thom, S'ang, and Kandal Stoeng Districts of Kandal Province are short of 240 tonnes of rice seeds for about 2,000 hectares of fields for the planting season that started in May.

Indonesia

Alatas Opposes Nuclear Tests, Praises U.S.

BK2006153295 Jakarta ANTARA in Indonesian 1002 GMT 20 Jun 95

[FBIS Translated Text] Jakarta, 20 Jun (ANTARA) — Foreign Minister Ali Alatas has reiterated that Indonesia will definitely stand firm against any nuclear test conducted openly by any country including France, because such a test could be adequately conducted in a laboratory.

Speaking to reporters after meeting with President Suharto at Merdeka Palace on Tuesday, he said: "It is dangerous to conduct such tests in open spaces and the environment will be polluted."

France's action in conducting its nuclear test was not an exemplary action because other nations will definitely emulate the country's action. Moreover, an agreement was recently reached on the ban of such tests.

Alatas praised the step taken by the U.S. Government to cease all its nuclear tests.

When asked on the workshop session on the Spratly Islands, the foreign minister said that the meeting which scheduled to be held in July has now been rescheduled to be held in October.

The rescheduling was necessary because Indonesia is occupied with preparations for the 50th national day anniversary. Apart from the time constraint, the seminar was rescheduled for a later date because several working groups have yet to complete their responsibilities.

The Spratly Islands, which are located in the South China Sea, are claimed wholly or partly by China, Taiwan, the Philippines, Brunei Darussalam, Malaysia, and Vietnam.

Editorial Backs ABRI Representation in House

BK2006144195 Jakarta SUARA KARYA in Indonesian 20 Jun 95 p 5

[Editorial: "The Presence of the Armed Forces of the Republic of Indonesia in the House of Representatives"]

[FBIS Translated Text] The ratification of a draft bill amending the Bill on the Composition and Status of the House of Representatives on Thursday, 15 June seemed to have provided an opportunity to again question the presence of the Armed Forces of the Republic of Indonesia [ABRI] in the House of Representatives. In this context, some circles want the ABRI's presence in the House of Representatives reconsidered.

To put the matter in proper proportions, we would like to note what President Suharto told participants at the executive meeting of the Communication Forum of the Sons and Daughters of the Armed Forces of the Republic of Indonesia at the Tapos Ranch, Bogor, on 18 June. According to the president, the ABRI sits in the House of Representatives to strengthen ideological and political resilience within the framework of national resilience and the ABRI, which has been recognized as a sociopolitical force on the basis of a national consensus, serves the interests of all people, not just its.

The president stated: "Some people still believe that the ABRI's dual functions are wrong. They do not want to recognize the ABRI as a sociopolitical force in the House of Representatives and want the ABRI to sit only in the People's Consultative Assembly." The head of state noted: "The ABRI is a sociopolitical force. The ABRI has been recognized as a sociopolitical forces because the ABRI is the only force which has never deviated from Pancasila [state ideology] and the 1945 Constitution.

Questioning the ABRI's presence in the House of Representatives is in fact tantamount to questioning the ABRI's dual functions. It is possible to question the matter within a democratic framework. However, the ABRI's status as a sociopolitical force within our political system is guaranteed by and embodied in a law.

In addition, the ABRI's status as a sociopolitical force has a basic historical background. Looking back at the history of the struggle to defend the independence of the Republic of Indonesia, history would have been different if the ABRI under the late Supreme Commander Sudirman had not emerged as a sociopolitical force when Yogyakarta as capital of the Republic of Indonesia was invaded and occupied by the Netherlands military forces in 1948. In other words, the ABRI would have had to end its resistance if the ABRI had been simply a military force. However, Supreme Commander Sudirman flatly refused to do so.

The ABRI in fact sowed its seeds as a sociopolitical force at that time and the role has reflected its true identity as an unrelenting defense and security force. Its role as a sociopolitical force subsequently saw ups and downs. If we thoroughly study the ABRI's history, we will see that the ABRI's waning role as a sociopolitical force when the country's ideological resilience was fragile paved the way for the Indonesian Communist Party [PKI] to launch the G-30 S [30 September Movement]/PKI.

Growing challenges to ideological resilience and the political system, which is based on Pancasila and the 1945 Constitution, cannot be ruled out because of globalization. The ABRI, which has never deviated from Pancasila and the 1945 Constitution, is required to remain vigilant against the eventuality.

In our opinion, the vigilance in fact requires the ABRI to maintain its presence in the House of Representatives. The House of Representatives in fact acts as a "goalkeeper" in the implementation of the Broad Outline of State Policies.

Spokesman Defends ABRI Role in Politics

BK2106122095 Jakarta THE JAKARTA POST in English 13 Jun 95 p 2

[Report by Ridwan M. Sijabat]

[FBIS Transcribed Text] JAKARTA (JP) — The military in Indonesia has played a major role in laying the foundations for democracy and it intends to continue to play that role well into the future, Brigadier General Taheri Noor said yesterday.

The Indonesian Armed Forces (ABRI) faction spokesman in the House of Representatives stressed that the military, despite its hierarchical command structure, was not incompatible with democracy.

In an interview with THE JAKARTA POST, Brig. Gen. Taheri said ABRI's role in politics was still misunderstood at times.

"The democracy practiced in the military organization is most extraordinary," he said. "You will find that ABRI faction members in the House are more democratic than those from other (civilian) factions."

Democracy was practiced consistently in the military, he said right down to the lowest levels, with all decisions being made through democratic procedures.

"It is normal to see low-ranking officers, such as corporals and privates, providing input to their superiors in a decision-making process, or a commander listening to suggestions from others before making up his mind," he said.

The difference between the Armed Forces and civilian organizations, he said, was that once a decision had been made in ABRI everyone abided by it.

"This is one of the factors that has made the military organization more established and more unified," he said. "This is what makes ABRI different from other factions in the House."

ABRI's role in the House has been the subject of debate in recent weeks for two reasons. The first is the government-initiated bill to reduce the number of reserved ABRI seats in the House from 100 to 75. The other is the recent reshuffle, or "mid-term transfer of duty" within the faction, with the appointment of 25 new military faces in the House.

The bill is enjoying a smooth passage and is expected to be passed this Thursday. The actual reduction, however, will only be effected in 1997 during the general election.

During the New Order period ABRI's legislators have sat side by side with civilian legislators. Many of them have made a name for themselves for their boldness. The debate on political openness in the late 1980's, for example, was initiated by ABRI members.

Taheri, a former officer of ABRI's Intelligence Board, said ABRI would maintain its presence in the legislative body in order to ensure national stability and unity and to safeguard the Pancasila ideology and the 1945 Constitution.

The military in Indonesia had a unique function, he said; one that the military in other countries did not have. "It is the nation's greatness that its military is able to perform two functions simultaneously."

ABRI's dual role, in defense as well as in politics, had been widely-accepted in society, he added.

Members of the Armed Forces do not vote and cannot run in elections. Instead, they are allocated seats in the House of Representatives, currently 100 of the 500 seats. The other 400 seats are contested by the three political organizations.

Taheri said the reduction in the number of ABRI seats to 75 would not affect the way the faction worked.

He also played down the significance of the recent reshuffle in the faction which saw a number of prominent generals entering the House.

Among 25 new ABRI appointments in the House were five men of the rank of major general — Ismail, Thea Syafei, Haris Sudarno, Hari Sabarno and Iskandar Kamil — and a handful of brigadier generals, including Afifuddin Thaib, Ambo Eteng Amin and Joko Sarjono.

The current ABRI faction chairman, Abu Hartono, has remained, but change is imminent as he is reportedly being groomed for an ambassadorial post.

Some political analysts have interpreted the new composition of the ABRI faction as reflecting a desire to strengthen the faction's personnel in anticipation of the cut in the number of seats.

Taheri insisted, however, that the reshuffle was a "routine" one. "The mid-term reshuffle is a routine event. We usually do it three times during the five years of the House's life-cycle to reinvigorate the faction."

Reshuffle of Military, Police Officers Detailed

BK2006161995 Jakarta KOMPAS in Indonesian 17 Jun 95 p 1

[FBIS Translated Text] Jakarta, KOMPAS — The reshuffle in the ABRI [Armed Forces of the Republic of Indonesia] is underway. One of those affected is Major General Yunus Yosfiah, who is being replaced as commander of the Sriwijaya Second Regional Military Command by Brigadier General R. Karyono, currently chief of staff of KOSTRAD [Army Strategic Reserve Command]. Maj. Gen. Yunus Yosfiah will assume the post of governor of the ABRI Staff and Command College, replacing Maj. Gen. Theo Syafei, who will become a member of parliament from the ABRI faction.

Speaking to reporters at ABRI Headquarters in Jakarta on Friday (16 June), Brig. Gen. Suwarno Adiwijoyo, chief of the ABRI Information Service, said the upcoming reshuffle will affect 85 officers from the three services and the Police Force. A total of 47 Army officers, 15 Navy officers, 12 Air Force officers, and 11 police officers will be affected in the reshuffle.

Brig. Gen. Sridono, currently chief of staff of the Trikora Eighth Regional Military Command, will assume the post of KOSTRAD commander, while Colonel Amir Syarifudin, currently commander of Trikora 174th Area Military Command, will replace Brig. Gen. Sridono.

Maj. Gen. Subardi Suar will hand over his post as commander of the Army Territorial Center to Brig. Gen. Suhardo, currently deputy chief of the ABRI Civic Mission Promotion Agency. Subardi will be assigned to Army Headquarters prior to his retirement, while Suhardo will be replaced by Brig. Gen. Mengko Abraham Yohannes, currently director of Department D of the BIA [ABRI Intelligence Agency].

The post of director of BIA Department D will be assumed by Air Marshall Saleh Budiono, currently director of Air Force security affairs, while Air Marshall Gandhy N.S., currently deputy commandant of the Air Force Training Command, will assume the post vacated by Saleh Budiono.

Intelligence Units

The reshuffle will also affect Brig. Gen. Sudiyono, commander of the BIA Intelligence Unit, who will be replaced by Col. Slamet Kirbiantoro, currently commander of Tanjungpura 101st Area Military Command and a 1970 graduate of AMN [National Military Academy].

Sudiyono will assume the post of Army officer in charge of cultural and sports affairs, replacing Brig. Gen. Joyo Sutarjo, who will be seconded to the Kartika Eka Paksi Foundation.

Brig. Gen. Sirajuddin P., who became commander of the Presidential Security Force a few months ago, will get a new assignment at ABRI Headquarters after being replaced by Col. Sugiono, a presidential aide de camp.

Brig. Gen. Slamet Singgih, director of BIA Department C, will be replaced by Col. Tyasno Sudarto, currently assistant for sociopolitical affairs in the Greater Jakarta Regional Military Command and a 1970 graduate of AMN. Slamet Singgih will replace Brig. Gen. Pratikto as ABRI inspector general while Pratikto will become officer in charge of military personnel welfare, a post currently held by Brig. Gen. Suhano Bujana.

As for the Cavalry Armament Center, the post of commander will be transferred from Brig. Gen. S.H. Wiryawan to Col. Budi Sutiono Katon, currently the center's deputy commander. Wiryawan will be assigned to ABRI Headquarters.

Brig. Gen. Johnny J. Lumintang, commander of the KOSTRAD First Infantry Division, will be replaced by Col. Ismed Yuzairi, currently commander of Trikora 173d Area Regional Command.

Navy, Air Force, and Police Force

Rear Admiral Gofar Suwarno, commander of the Navy's Eastern Fleet, will be replaced by Navy Commodore Bambang Suryanto, currently director of the Navy Training Operations. Gofar Suwarno will be appointed assistant for planning affairs. Bambang Suwarno will be replaced by Navy Commodore Suroso P.W., currently chief of staff of the Eastern Fleet. Navy Commodore Ahmad Sucipto will become the new chief of staff of the Eastern Fleet.

Brig. Gen. (Marine) Cahyono H.S., chief of staff of the Marine Corps, will be replaced by Brig. Gen. (Marine) Sudarsono Kasdi, currently deputy governor of the Navy Academy. Sudarsono will be replaced by Col. (Marine) Suharto, currently commander of the ABRI Headquarters Detachment.

In the Air Force, Air Commodore Tyas Prawignyo S.P., deputy chief of the ABRI Legal Development Agency, will be replaced by Col. Sus Pranowo. Air Marshall Sutrisno Suwari, director of Air Force personnel affairs, will be replaced by Col. Syaeful Kartemunaf. Sutrisno will be appointed an expert staffer to the Air Force chief of staff in charge of economic and welfare matters.

Air Marshall Akhmad Fuad, an expert staffer in charge of sociopolitical affairs, will be appointed to ABRI Headquarters prior to his retirement. He will be replaced by Col. Putu Kertiadi, currently head of the Science and Technology Department of the ABRI Staff and Command College.

In the Police Force, Brig. Gen. Drs. [academic title] T. Kasdi Suharjo, head of the Finance Office, will be replaced by Col. Drs. Dasep Purnama, currently head of the headquarters's First Finance Office. Kasdi Suharjo will be assigned to Police Headquarters prior to his retirement.

Soldiers Tried for Roles in Liquica Incident

Lieutenant Sentenced

BK2006061995 Jakarta ANTARA in Indonesian 1433 GMT 19 Jun 95

[FBIS Translated Excerpt] Denpasar, 19 Jun (ANTARA) — Infantry First Lieutenant Jeremias Kase, a former intelligence officer of the Liquica District Military Command-1638, has been sentenced to four years and six months in jail and sacked from the military service for his role in an incident in Fabo Village, Liquica. [passage omitted]

First Lieutenant Jeremias Kase was found guilty beyond reasonable doubt of noncompliance with an instruction from Infantry Lt. Col. Tris Suryawan Adiwijaya, commander of the Liquica District Military Command 1638, prior to the operation by the mobile team.

The commander instructed the team to capture alive unarmed members of the Security Disturbance Movement [GPK] and shoot only armed members who resisted or fled.

However, Private First Class RM [initials of Rusdin Maubere] (another defendant who will receive a verdict on 20 June) shot six unarmed GPK upon the instruction of First Lieutenant Jeremias Kase in Fabo Village on 12 January 1995. [passage omitted]

Private Sentenced

BK2106025095 Jakarta ANTARA in Indonesian 1531 GMT 20 Jun 95

[FBIS Translated Excerpt] Denpasar, 20 Jun (ANTARA) — Private First Class Rusdin Maubere, a defendant of the incident in Fabo Village, Liquica, East Timor, on 12 January 1995, has been sentenced to four years in jail and sacked from military service.

The verdict was read out by Lieutenant Colonel H. Pakpahan, the presiding judge at the Military Court III-14 in Denpasar on Tuesday [20 June].

Earlier, Military Prosecutor Lieutenant Colonel Firman Ar Coto S.H. [Master of Law] demanded that the defendant, who was accompanied by Ketut Lastra and Captain (Army Women's Corps) Wirawati as his legal counselors, be jailed for eight years and sacked from the Indonesian Army. [passage omitted]

As a matter of fact, Rusdin shot six members of the GPK [Security Disturbance Movement, derogatory term referring to the Revolutionary Front for an Independent East Timor or Fretilin] at a hut in Fabo Village on 12 January 1995. The six GPK members who died instantly were Jose Nunes, Abel Nunes, Victor [surname not given], Agosto Pinto, Osorio Soares, and Americo Araujo.

Rusdin first shot Jose, Abel, Victor, and Agosto, the four prisoners who were tied together, and later two occupants of the hut — Osorio and Americo. The six GPK members were unarmed. [passage omitted]

'Mystery' of Labor Activist's Murder Viewed

BK1706115495 Hong Kong FAR EASTERN ECONOMIC REVIEW in English 22 Jun 95 p 32

[Report by John McBeth in Surabaya]

[FBIS Transcribed Text] Last year, lawyer Trimulya Suryadi asked two army colonels if they could arrange for him to meet their boss, East Java's regional commander. Trimulya, defending one of eight people accused of murdering Marsinah, a 25-year-old labour activist, had publicly claimed she died in Army custody. Now, he told the officers, he wanted to assure their general that he wasn't anti-military.

Days later, the officers told him they couldn't pass on his request. If they did, they said, they would be investigated for having personal contacts with the Surabaya-based lawyer.

"Imagine it, two colonels, and they were too worried about their careers to do even that," Trimulya marvels. "The bad thing about Indonesia is this all-pervasive fear — fear to do this, fear to do that."

Although he doesn't show it, Trimulya has good reason to be fearful himself. On May 4 the Supreme Court overturned the eight defendants' convictions in the Marsinah case; since then, he has received a string of death threats, some from callers who accuse him of bribing the judges. Trimulya says he has fielded many similar threats since he took on the case two years ago.

Police have now reopened the investigation into Marsinah's abduction and murder in May 1993. More than any other case, the brutal death of the lowly watch-factory worker has focused international attention on the plight of Indonesian labour, on the military's often heavy-handed intervention in strikes — and on the methods that are routinely used to extract confessions.

As he first stated publicly in March 1994, Trimulya remains convinced Marsinah was killed while in detention at the military's district headquarters in Sidoarjo, 40 kilometres south of the port city of Surabaya. "If the military wants to open itself, then the case will be solved," he says. "If it doesn't, then it will never be solved."

The case had its beginnings on May 3, 1993, when workers at Sidoarjo's Catur Putra Surya watch factory went on strike, demanding payment of the minimum wage and dissolution of the local unit of the government-controlled labour union. The strike was settled the following day in talks between labour leaders, including Marsinah, the management and government and army representatives.

Although one of the conditions of the settlement was that the strikers would not be penalized, army officers summoned 13 male workers to the military district command on May 5 and forced them to sign letters stating they were "voluntarily" resigning from the company. Angry over the way the military had gone back on its word, Marsinah went to complain.

Trimulya says newly-appointed regional commander Maj.-Gen. [Major General] Imam Utomo has acknowledged that Marsinah was at the district headquarters until 9 p.m. on May 5. What happened to her after that remains a mystery. Three days later, her body was found lying on a roadside 200 kilometres from where she disappeared. A post mortem indicated she had died as a result of injuries inflicted during torture, including having a sharp object shoved into her vagina.

Despite widespread coverage in the Indonesian press, the investigation languished for more than six months. Then on October 1, the factory's owner, Judi Susanto, seven civilian employees and Porong sub-district military chief Capt. Kusaeri were detained. Having been taken from their homes without arrest warrants, they were held incommunicado for 18 days at the 5th Division military headquarters in Surabaya.

The defendants later claimed in court testimony they were tortured into admitting their involvement in a murder conspiracy. Susanto says he was given electric shocks, burned with cigarette butts, ordered to mop the floor with his tongue and forced to eat his own vomit. On October 19-20, the defendants were moved to the provincial police headquarters and formally charged with killing Marsinah.

In subsequent trials, during which the defendants recanted their alleged confessions, Susanto was sentenced to 17 years' imprisonment and the others to terms ranging from seven months to 13 years. The Supreme Court decision quashed all the convictions. The military now says it will also exonerate the army captain, who has served a nine-month sentence for allegedly failing to report his knowledge of an impending crime.

"There are two aspects to this case, a cover-up and a frame-up," says Trimulya, who also figured in the recent successful legal action against the government's closure of the newsweekly TEMPO. "But where I think the military went wrong is that it tried to frame not one person, but nine people. Why involve so many? In a conspiracy like this, you'd think the fewer the people who know about it the better."

A national police team, led by the director of investigations, Brig.-Gen. [Brigadier General] Rusdiharjo, has been in Surabaya to look into the case. "I gave them my analysis and who I thought murdered Marsinah," says Trimulya. Much of what he told them he had already recounted to the National Commission on Human Rights when it launched its own inquiry a year ago.

The state-appointed commission, which has drawn high praise for the level of independence it has shown in several controversial cases, later declared that the wrong people were on trial and that the real culprits were still at large. It also said there were indications that torture had been used to extract confessions. But its report was largely ignored and the trials went ahead.

National police chief Gen. Banurusman has publicly said investigators are now using the commission's document as a reference. However, as policemen declined to talk about the case, it's not clear what latitude they have had in questioning the military. Trimulya says Lieut. Col. [Lieutenant Colonel] Max Salaki, the Sidoarjo district commander at the time of Marsinah's death, and his intelligence chief, Capt. [Captain] Sugang, may both be able to shed light on the mystery.

Someone else with more than a passing interest in the outcome of the re-opened investigation is Indonesia's newly appointed army chief of staff, Gen. Hartono. He was regional commander in Surabaya at the time of the killing.

Continued Resistance to Media Shutdowns Examined

BK2106112295 Hong Kong AFP in English 0906 GMT 21 Jun 95

[By Jenny Grant]

[FBIS Transcribed Text] Jakarta, June 21 (AFP) — The government closure of three popular magazines exactly a year ago Wednesday has done little to alleviate pressure on the country's media but signs are that a struggle for press freedom continues.

In the year following the banning of the magazines — TEMPO, DETIK and EDITOR — the country has seen numerous demonstrations, three court cases filed by employees of the outlawed publications, the forming of an independent journalists' association, and abortive but highly-publicized attempts by all three weeklies to regain new publishing licenses.

The ongoing resistance against media shutdowns is a novelty in a country which has seen numerous press bannings.

"Press bannings have existed for a long time," former TEMPO journalist Bambang Bujono told AFP.

"What makes this one different is... there is resistance not just from the ones banned but also from the general public."

Despite the continued actions by journalists, students, artists, human rights lawyers and non-governmental organizations (NGOs), opposing what they claim are the repressive media policies of the government of President Suharto, many remain pessimistic about press freedom in Indonesia.

Former TEMPO chief editor Goenawan Mohamad said: "The only thing that has changed over the last year is the attitude of some journalists, who now have more courage to stand up.

"In general the media is still a docile institution, repressed and intimidated."

The Independent Journalists Association (AJI), set up in August last year to provide an alternative to the state-organised Indonesian Journalists Association (PWI), continues to publish its underground monthly magazine INDEPENDEN despite a government ban on the publication and its pressure on the organization.

Three AJI activists are currently on trial charged with insulting the government through the publication and the distribution of INDEPENDEN.

The three activists, including journalists Eko Maryadi and Ahmad Taufik, and AJI staffer Danang Kukuh

Wardoyo, were arrested in March without any formal warrants and have been held in custody in Jakarta's Cipinang prison ever since. Their trials began last week.

Other AJI members have been forced by employers to resign from their jobs in leading publications, be transferred to non-editorial positions, and demoted or threatened with dismissal if they do not dissociate themselves from the group.

"The law says that all working journalists must be members of a press organization, and that PWI is Indonesia's only press organization," PWI secretary general, Parni Hadi, told AFP.

One victory for those who fought for press freedom came in the form of an unprecedented ruling by the Jakarta state administrative court last month.

The court ruled in favor of Mohamad and former TEMPO employees, overturning the ban and ordering Information Minister Harmoko, as the defendant, to issue them with a new licence. Harmoko has since appealed.

Mohamad and the employees filed separate suits and both were granted.

The government has since the June 21, 1994 ban issued two new publishing licenses to accommodate the former journalists and staffers of the three closed down publications.

At the time of the bannings the three weeklies had a combined circulation of at least 600,000 copies.

While former EDITOR journalists have joined new publication TIRAS, many former TEMPO journalists have declined to join the other publication, GATRA, citing links of the new owners to the Indonesian business and political elite.

One of GATRA's major shareholders is timber baron and close Suharto associate, Bob Hasan.

Efforts by former DETIK employees to rescue a dying weekly into a revamped version of their banned weekly was thwarted after the government forced them to close their operation after the first issue last year.

Former TEMPO staffers plan to publish 3,000 copies of a dummy issue of their banned magazine Wednesday "for a limited circle of people," ex-TEMPO journalist Bambang Harymurti told AFP.

Harmoko said Tuesday that the government would take action if the dummy issue were released.

Habibie Discusses Succession, Human Rights

BK2006150895 Jakarta FORUM KEADILAN in Indonesian 22 Jun 95 pp 94,98

["Excerpts" of an interview with Research and Technology Minister B.J. Habibie by FORUM KEADILAN correspondents Karni Ilyas and Tony Hasyim in Jakarta, date not given]

[FBIS Translated Text] [Ilyas, Hasyim] In Australia, reporters asked you whether it is true that you are being groomed to replace President Suharto in the future. What was your answer to that question?

[Habibie] It is true that reporters asked that question and the interview was carried in local newspapers, radio, and television. They asked me this question: "You are one of those people close to Suharto. What kind of person is he?" I told them that Suharto is strongly devoted to the nation and country. Besides, his strength lies in his low profile and modest attitude. The reporters then asked me: "Will Suharto continue to serve as president after 1998?" I said it depends on the people who decide through the MPR [People's Consultative Assembly]. They then asked me: "Do you think he is still physically strong for the job?" I told them that Suharto belongs to the 1945 generation. He is a freedom fighter [two preceding words in English] who helped liberate his people from the shackles of colonialism. Therefore, if people want him to continue serving as president, he will do it until his last drop of blood. The reporters then asked me: "You have the potential to serve as president. What do you think of it?" I already told them earlier that it is the people who will decide who becomes president.

They asked me further: "Will you accept the presidential post if it is offered to you?" I told them that I have to honestly ask myself this question and I believe everybody must do the same if he is offered the post. This means that one must ask oneself whether one can give the highest contribution to the nation and people. If I ask myself this question, the answer is that my field of contribution is science. The reporters wanted to ask more questions, but I quickly added that the whole issue depends on the people's decision.

[Ilyas, Hasyim] Does it mean you want to say that you do not want to become president in the future?

[Habibie] It is like this. If the people want a person to become their leader and that person really has a sense of responsibility and commitment to the people, is it possible for him to say no?

If he says no, he may be seen as an arrogant person. An Indonesian who is asked to lead the nation must already have his leadership tested. So will that person, whether his name is Ali, Ahmad, or whoever he is, be able to say no? In this case, I have an intellectual commitment to the mechanism of the Pancasila democracy and to the wishes of the Indonesian people who have representatives in the MPR.

[Ilyas, Hasyim] In other words, you are ready to serve as president if people want you?

[Habibie] Not quite, but I believe the mechanism will be a perpetual guarantee for the country if the person is a man or woman considered to be the most capable to lead the nation. I believe it is not easy to find such a person. There may not be 100 qualified persons among the 190 million Indonesians. Perhaps about 1,000 people think they are qualified, but perhaps only three, or two, or even one person that people want. For example, if there are now three selected persons, only one will certainly be the most qualified and wanted by the people. However, the other two are likely to have an almost equal ability as the first one.

As for myself, I accept whatever assessment people have of me because we live in a democratic country. I must respect whatever assessment they have of me. If I am allowed to give a self-assessment, I believe that each human being has his own strong and weak points. I think I have more weak points, but I try to improve myself. On the other hand, I think I also have one strong point, namely in science and technology. Is my explanation clear?

[Ilyas, Hasyim] Who are those people qualified for the job now?

[Habibie] I do not have to name names. Obviously, their number does not exceed 10, let alone 20 or 100.

[Ilyas, Hasyim] In Australia, you were also asked to comment on the human rights situation in Indonesia.

[Habibie] They indeed gave prominence to this issue during the interview. Those reporters like to criticize Indonesia on human rights issues. So I had to give them a lecture. I asked them what their definition of human rights is. I told them that our nation is now approaching our 50th anniversary of independence. What has taken place in Indonesia during the past 50 years? I reminded them that in the first 23 years of our existence, we were led by a president who had initiated a national awakening, but during that period, there was only one general election. We must admit that the mechanism of democracy was not functioning because, according to the Constitution, general elections must be held every five years. Therefore, I said earlier that we had only one general election when the late President Sukarno was in power for 23 years, whereas under President Suharto in the subsequent 27 years' time, we have had six general elections. Under the late President Sukarno, we had low economic growth and high population growth and this led to poverty. Under President Suharto, we have high economic growth and low population growth and this leads to prosperity. In the past, more than 60 percent of the people lived in poverty, but now the figure is reduced to 13 percent. In the past, we had a new cabinet every 10 months, but now, every five years. In the past, we had many illiterate people, but now it is compulsory to be able to read and to attend school for nine years. So I told them that the fundamentals of human rights have been implemented.

I also told them what is essential in a democratic system is not the mechanism itself, but the mechanism plus the personnel in charge of it. These personnel must have qualities which continue to improve so they can play their role well. In this case, we need educated and healthy individuals who are supported by adequate facilities. If the requirements for the election mechanism and personnel are fulfilled, it means that democracy is functioning. Despite the shortcomings we have in Indonesia, when something is "moving," it is considered to be "moving forward," not "moving backward." As an example, if we want to fly to Paris, we cannot fly directly to that city but we must first pass through Bangkok. What is important is that we must get closer to the target.

Then it was my turn to ask those reporters about the democratic process in Europe. I told them that the democratic process did not take place in one day. To become what they are today, the Germans paid with two world wars. What did they do to the Jews in Europe? Of course I did not mention this to those reporters, but I asked them to see what happened in Europe in the past. I mentioned the names of Hitler, Mussolini, and Napoleon as examples of what happened in Europe in the past. If you compare them to Indonesia, which gained its independence only 50 years ago, I think Indonesia is terrific.

After my explanation, other reporters asked me about East Timor. One of them said Indonesia had annexed East Timor. He used the term annexation. My reply was who said there was an annexation. The truth is that Portugal abandoned East Timor when there was a civil war there. Some of the warring rivals asked Indonesia to include them in Indonesia's development program. We granted their request and our parliamentarians also decided that we should include them in our development program. Therefore, all Indonesian people, including the East Timor people, must directly or indirectly contribute to the development of East Timor so the province can stand on equal footing with other provinces. Then I asked the Australian reporters this question: what did the Portuguese give to the East Timor people during their 450 years of colonial occupation?

Therefore, during the interview, I totally dismissed all their accusations of human rights violation in Indonesia. I stressed that Indonesia is actually a country that wants to fight for the cause of human rights. I also cited the existence of clauses on human rights in our 1945 Constitution, which has even more clauses than the UN Declaration on Human Rights. Our Constitution also was formulated and announced earlier than the UN Declaration. I also stressed that Indonesia is a country that really yearns for human rights because we were under the shackles of colonialism for 350 years. I gave this explanation to those reporters and made them speechless.

I told them what is important in human rights perception is relative, not absolute. As an example, our country does not condone murder and this is an absolute value throughout the world. We do not condone sexual assault on our daughters or wives. This is also an absolute value. But nobody can tell me how I should sleep or eat my meals. I do not want anybody to control my menu or tell me whether or not I must eat noodles.

The same is true that foreigners cannot tell me how I must observe our customs. We have absolute laws as well as laws based on customs. So we cannot generalize things. Laws applicable in one place may not be applicable in another. No world leader, wherever he lives, can absolutely fulfill his leadership obligations without paying attention to the human rights values of the people he is leading. Proof can be seen from the fact when the Dutch and Japanese became colonial masters in Indonesia, the Indonesian people were not happy to be under their control.

[Ilyas, Hasyim] On the protest demonstration in Germany, you said it was insignificant while other officials took it seriously.

[Habibie] I did say it was just a small matter. I saw the demonstration with my own eyes. There were only between 20 and 30 demonstrators out of the total German population of 80 million. Therefore, security authorities in that country paid little attention to the demonstration. Therefore, I said the demonstration was just "small potatoes." We must adopt this attitude. Should we get excited to the drums beaten by 20 people? This is crazy.

Therefore, I dare to say the demonstration was insignificant. Besides, I learned something from two close persons, namely my own wife and Mrs. Ali Alatas, who were travelling behind President Suharto's entourage. At that time, Mrs. Alatas asked the demonstrators why they did what they were doing. She asked them whether they had visited Indonesia. They said they had not. Mrs. Alatas then asked them why they staged the demonstrations. They replied: "Because we are paid 50 marks for three hours."

We fully understand that unemployment rate in Dresden is relatively high. If they were paid that much, who could refuse? I was also briefed by the Indonesian honorary consul, who is German, in Munchen, who told me that those who staged the demonstration in the daytime and at nighttime were the same people. Therefore, they were the same 20 people, who told our consul that they were paid 100 marks. They said they were paid 100 marks because it was cold at night. Some of them even said: "We received not only money, but also free beer and our faces appeared on television." Well, based on these facts and what I personally saw, I believe it is not wrong to say that the demonstration was insignificant.

[Ilyas, Hasyim] As for the alleged involvement of [former MP] Sri Bintang and other Indonesians in the demonstration, do you think it is also a small matter?

[Habibie] It is like this. As an Indonesian, I believe nobody is allowed to defame the MPR mandate holder [President Suharto] as well as his wife because that person has been given the mandate by the people through their representatives in the MPR. I believe this should be enforced forever because it is not right if we allow people to defame the MPR mandate holder and get away with it. How can we condone people who defame him? Any person that defames the MPR mandate holder will be put to trial. Who will charge him in court? The Indonesian people certainly will! On what basis? Because he has defamed our MPR mandate holder and he must face legal action. If he defames a cabinet minister, perhaps it is no big deal because a minister is only an assistant to the MPR mandate holder and a minister is not appointed by the people. In the Indonesian democracy, the only person that can use the words "on behalf of the people" is the president who is the MPR mandate holder. Even the vice president cannot use these words because he is not given the mandate.

From this point of view, I would say the demonstrations in Hanover and Dresden were insignificant, but defaming the MPR mandate holder is a serious matter. I never said the defamation is insignificant.

[Ilyas, Hasyim] Your conclusion?

[Habibie] As the demonstrations were insignificant, we need not react by severing ties with Germany or lodging a protest. What are the benefits? Why should we respond to these crazy people? We can react if the defamation is carried out in a session of their parliament. Why should we respond to the action done by handful of Germans? The same is true if the action is done by a group of frustrated Indonesians. Now matter how loudly they shout, we should not react. Things are different if the action is done by Indonesians with respectable social status such as members of parliament, leaders of mass organization, or intellectuals. This group of people must bear the consequences of their actions.

[Ilyas, Hasyim] It is reported that after the demonstrations in Germany, your relations with President Suharto are rather strained. Is it true?

[Habibie] Who said that? (laughing).

[Ilyas, Hasyim] Last month, the newspapers carried a photograph where you and President Suharto were seen praying together at the palace mosque. Who invited whom to pray together?

[Habibie] Of course the president! Do you think I can say: "Pak [Mr.] Harto, let us do the Friday prayers together." Who do you think I am? We must all know who we are.

[Ilyas, Hasyim] You have recently been given a mandate by the president to represent him at international forums. Is this a sign of...

[Habibie, interrupting] It is not a mandate, but an assignment.

[Ilyas, Hasyim] Transmigration Affairs Minister Siswono said Indonesia needs a leader with equal ability as President Suharto, but such a person does not exist yet. When we compare people like Pak Harto, Habibie, [Information Minister] Harmoko, and [Vice President] Try Sutrisno, Pak Harto is still the best...

[Habibie] I believe so, but let us not comment on this.

[Ilyas, Hasyim] The problem is, according to Siswono, when the time for leadership changes arrives, the Indonesian people will suffer from leadership crisis.

[Habibie, after brief reflection] It is like this. It is sad for a country if it can only depend on one leader. It is impossible nobody can replace Pak Harto because a nation's leader is certainly aware that a nation must get better after his leadership ends. For this reason, I am confident that Pak Harto has for a long time groomed potential leaders to replace him. I once said that the way to see whether the 1945 generation, to whom Pak Harto belongs, is successful or not, is by seeing whether the succeeding generation is better than the 1945 generation. The yardstick is whether the following generation is better than the current one. If the succeeding generation is not successful, the previous generation is a failure. Again that is the yardstick. Therefore, a leader who does not want to be called a failure will do his best to ensure the succeeding generation will be better. Pak Harto's generation is doing its best to ensure my generation becomes a better one. In the same manner, my generation will do its best to ensure that your generation will be even better. This is a normal process. If a person says: "This cannot be done" before he becomes a leader, this means he is not a true leader. Honestly, if we look at Siswono's remarks, he is already disqualified [preceding word in English] as a leader because he has no vision to create something better than the previous one. He is disqualified because he is incapable of doing it or perhaps he is dishonest.

[Ilyas, Hasyim] That means the person who will replace Pak Harto already exists?

[Habibie] Certainly, I know there are many capable people at BPPT [Agency of the Study and Application of Technology] and ICMI [Indonesian Muslim Intellectuals Association] even though the latter is only five years old. That is the way to do things. I must groom cadres who will replace me. This is a normal procedure and we need not worry about who will replace the current president.

[Ilyas, Hasyim] As for presidential candidates, the issue of whether he should be a civilian or a military man will probably become the central topic.

[Habibie] In the past, military men played a major role because those people called the 1945 generation had to fight to gain our independence. Many of them died during the struggle years. We see the 1945 generation as a group of people who did not fall to external temptation, be it from the Dutch, the Japanese, or even the Americans, who wanted to divide and rule us. In addition, the military men have their own code of honor. History also showed that the ABRI [Armed Forces of the Republic of Indonesia] under the leadership of one of its best sons named Suharto has safeguarded the nation from the treachery of the communists, who wanted to change our Pancasila ideology with communism.

When the period of upheaval was over, our nation began to lead a normal life. So when we want to evaluate current leadership, it does not have to be based on the dichotomy of being ABRI men or not. The new generation living in the normal situation only recognizes one point of reference, namely the Pancasila ideology. As such, it makes no difference whether one is an ABRI man or not. If we want to find a new leader, the point of reference is the same, namely Pancasila. It is incorrect to say that a non-ABRI individual has a lower sense of nationalism and patriotism than an ABRI one. Perhaps you journalists even have higher sense of nationalism and patriotism than an ABRI man. This is because we cannot fully understand and evaluate a person by the statements he has made. During the physical struggle in the past, we would know who was fearless or cowardly when shots were fired by the enemy. But now, such a yardstick is no longer valid after the passing of the 1945 generation. Now it is no longer valid to use the civilian-military dichotomy.

[Ilyas, Hasyim] What do you mean?

[Habibie] Suppose we are looking for a new leader from ABRI circles only. How many are they? There are only about 500,000 of them. Then, how many non-ABRI people who have the right to elect and to be elected? Suppose there are 120 million. It is incorrect to say a new leader must come from ABRI. This means we must select one person out of 500,000 people while ignoring the other 120 million. As a comparison, suppose you are invited to choose the best mangoes from two baskets — one has 50 while the other has 1,000 mangoes, you will certainly choose the best mangoes from the basket which contains 1,000 mangoes because you have more choice. However, such a method is also incorrect because we ignore the minority group. Therefore, from now on, we must not make a distinction between ABRI or non-ABRI. ABRI itself does not want to be treated that way. You can ask the views held by ABRI's younger generation. Try to ask [Suharto's son-in-law] Colonel Prabowo about this. I also want to ask you whether there is any difference between you and your high-school classmates who have joined ABRI. I believe there is no difference.

Laos

Results of 5th Joint MIA Operation Reported

BK2106112695 Vientiane KPL in English 0924 GMT 21 Jun 95

[FBIS Transcribed Text] Vientiane, June 21 (KPL) - Between 15/05/95-15/06/95, Lao and American technicians conducted in the provinces of Khammouane, Saravane, Sekong, and Attopeu, joint operations of survey and excavation in search of Americans missing in action (MIA) during the war. The excavations were conducted for five cases in Boualapha District, the central province of Khammouane. Of these cases, four were successful.

The teams have surveyed 12 cases out of the total 39 cases in the southern provinces of Saravane, Sekong, and Attopeu. Out of these, three cases will be resurveyed, three will be excavated, and the rest are pending.

The operations faced difficulties since these sites are in remote areas and the operations were conducted during heavy rains.

The technical teams have discovered major evidences such as bones and teeth, and some information which will be sent to Hawaii, USA, for further test.

The operations are in implementation of the humanitarian policy of the Government of the Lao People's Democratic Republic, in response to requests of the United States Government and families of the Americans missing in action, and conform with the plan of the Fifth Lao-American Joint Operation for 1994-1995.

Philippines

Government Protests to France on Nuclear Tests

BK2106005495 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 20 Jun 95

[FBIS Translated Text] The government has filed a diplomatic protest with France over its plans to conduct nuclear tests in the South Pacific. The protest note confirms the government's alliance with other nations opposed to France's planned nuclear testing. The government has called on the officials of France to review their plan, which could pose a hazard to the environment and could be a precedent for other nations to manufacture nuclear arms again.

PRC To Protest Destruction of Spratlys Markers

BK2006154095 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 20 Jun 95

[FBIS Translated Text] China is ready to lodge a diplomatic protest with the Department of Foreign Affairs if the Chinese military confirms the Philippine Navy's destruction of its markers in the Kalayaan group of islands.

According to Chinese Embassy Spokesman Zhang Tiegen, China may repeat its protest against the Philippine military's activity in the Spratlys. Zhang said China's position is clear on the destruction of its markers in the Spratlys, which they claim to be theirs.

It will be recalled that the destruction of the Chinese markers was personally ordered by Western Command Chief General Carlos Tanega.

Aerospatiale To Launch Country's First Satellite

BK2006114995 Manila PHILIPPINE DAILY INQUIRER in English 16 Jun 95 p B3

[Report by Rocky G. Nazareno]

[FBIS Transcribed Text] The government-initiated Philippine Agila Satellite Inc. (Pasi) recently signed a $320-million supply contract with French firm

Aerospatiale for the country's first satellite that will be launched December next year.

President Ramos witnessed the signing of the memorandum of agreement (MOA) forged by officials of Pasi and Aerospatiale that will yield for the Philippine Government free use of two transponder slots in the two Agila satellites that will be launched.

This will save the government some $1.4 million in rental fees for each transponder yearly.

Pasi Chair Wigberto Clavecilla and Aerospatiale vice president for telecommunications satellites and systems Claude Burgio signed the MOA before Mr. Ramos.

Also present during the signing were Communications Undersecretary Josefina T. Lichauco, French Ambassador Samuel Le Caruyer de Beauvais, and Department of Transportation and Communications (DOTC) officer in charge Pacifico F. Maghacot, Jr.

Aviation Safety Boosted by German Grant

BK2106065895 Manila PHILIPPINE DAILY INQUIRER in English 17 Jun 95 p 7

[FBIS Transcribed Text] The German Government has awarded the Philippines a P [Philippine pesos] 2.7-billion (150 million German mark) grant to upgrade its aviation safety rating in the global community.

The grant will bankroll the establishment of an elite pilot's school and the upgrading of the country's major international and domestic airports.

The Department of Transportation and Communications (DOTC) and Daimler Benz Aerospace-Dornier International Logistics recently signed an agreement that principally seeks to blend advanced German aviation technology and Filipino flying skills.

The Civil Aviation Technical Training Center (CATC) will soon be established to serve as a school for pilots.

The (CATC) will transform Manila as Asia Pacific's "mecca" for training and enhancing of commercial pilots' skills, according to the DOTC.

The agreement also kicked off a program to upgrade the safety and efficiency of 12 major airports and other selected aviation projects.

Under the agreement, Air Transport Office (ATO) chief Panfilo V. Villaruel Jr. said that the Philippines will ensure the availability of highly skilled personnel such as pilots and technicians while Daimler will act as the foreign technical partner.

BellTel Allowed To Apply for Telephone Network

BK1906112195 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 19 Jun 95

[Passages in italics in English]

[FBIS Translated Text] The National Telecommunications Commission, or NTC, has clarified that they are not preventing Bell Telecommunication Philippines, or BellTel, from submitting an application.

During the Coffee and News Program earlier, NTC Commissioner Simeon Kintanar said the government, in fact, wants to put in more telephone lines with the latest technology. Commissioner Kintanar made the clarification in view of the controversy surrounding the pending application of BellTel to install a nationwide telephone network.

[Begin Kintanar recording] Bell should, *which can be allowed to apply, but again they will have to follow the procedure and the policy* that the telephone is *viable.* [sentence as heard] Because *under our present law and even before, the biggest objective is to be able to develop and maintain a fair, viable, efficient telecommunications system, universally accessible, and using the latest available technology affordable by the people.* That is our objective. [end recording]

Meanwhile, Kintanar stressed that BellTel should follow the government's current policy on telecommunications. He added that there are four to five companies who have revised their applications in order to conform with the service concept.

[Begin Kintanar recording] Because *that's the reason why the others,* you know Jessica [interviewer], all these *five or four have already an application for nationwide, similar to the BellTel.* [end recording]

Explosions Rock Zamboanga Army Ammunition Dump

Sabotage Not Suspected

BK2106083595 Hong Kong AFP in English 0753 GMT 21 Jun 95

[FBIS Transcribed Text] Zamboanga, Philippines, June 21 (AFP) — A series of powerful explosions rocked an army ammunition dump in this southern city Wednesday, killing a boy and injuring 21 people, officials and witnesses said.

Southern military command deputy commander Colonel Jose Balajadia ruled out sabotage by Muslim extremists, saying the explosions were caused by an accident.

Military intelligence reports had previously said the Muslim extremist group Abu Sayyaf had threatened to attack the site in April after sacking largely Christian Ipil town and killing 53 people.

President Fidel Ramos said in Manila he had not received a report on the blasts but that he ordered his defense and military chiefs to investigate.

Witnesses said they heard four powerful blasts preceded by a fire shortly after noon. The explosions destroyed 40 houses and shattered glass windows in homes about seven kilometers (4.37 miles) away in the city center.

Panicked residents, thinking bombs had fallen from the air, fled their homes and office workers sought cover under furniture, witnesses said. Mushroom clouds billowed as two helicopter gunships and two air force planes hovered.

A radio station said another explosion was heard about three hours after the first series of blasts, adding that ammunition from mortars and 105 mm howitzers littered the scene.

Balajadia said a 14-year-old boy was killed and 21 others, seven of them soldiers, were injured in the initial explosions.

He described materiel that exploded as "unserviceable bombs due for disposal," adding that teams cannot yet enter the camp to investigate until after 24 hours to make sure no more bombs explode.

"Right now there are no indications at all that this is a terrorist attack, " he said. "There is nothing to be afraid of. This is an accident," he added.

Hours after the blasts, a local shipping firm in Zamboanga said it had received a threat from unidentified callers they would bomb a ferry. No bombs were found.

The blasts coincided with the third day of peace talks between the Philippine government and the rebel Moro National Liberation Front (MNLF) in Davao city, 390 kilometers (243 miles) east of Zamboanga.

Army and police units have been on alert since last week amid reports that the Abu Sayyaf was out to sabotage the latest round of talks, aimed at ending more than 20 years of fighting in the country's south — home to this largely Christian nation's Muslim minority.

Explosion Rocks City

BK2106095095 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0720 GMT 21 Jun 95

[Special telephone interview with Edgar Banos, station manager of FUBC Channel 9, GMA Channel 7 affiliate station in Zamboanga City, by Tina Cassandra Panganiban inside DZBB studio — live; passages in italics in English]

[FBIS Translated Text] [Panganiban] *Good afternoon, sir.*

[Banos] *Yes, good afternoon. How are you folks?*

[Panganiban] Okay. We are okay here. But it seems the people of Zamboanga City are not fine.

[Banos] We are a little bit not okay here because of what happened just recently. *Shortly after 12 o'clock noon* we had an explosion in Malabutay. *As per our earlier information feed to your end, a series of powerful explosions rocked Zamboanga City at midday today sending the entire populace into mild panic.*

FUBC News Zamboanga gathered that the explosions were caused by exploding shells at the military depot in Malabutay at the city's west coast.

The explosions reportedly killed a young boy and wounded scores of others as shrapnel from exploding shells ripped through the homes of nearby villagers residing on the periphery of the military camp.

Southern Command [Southcom] Deputy Chief Colonel Jose Balajadia, in a hastily called press briefing after the incident, disclosed that the fire engulfed the storage area for disposable ammunition which touched off the powerful blasts at around 1215 in the city of Zamboanga.

Balajadia, though, did not disclose the cause of the fire.

Responding troops from the Philippine Marine contingent cordoned off the area and shut the base down after evacuating more than 300 families from the base's surrounding area.

FUBC News has also managed to compile a partial list of victims rushed to the Zamboanga Medical Center for treatment. This list is as of 3 o'clock this afternoon.

The victims were identified as Lilibeth Santos, 27 years old, married and eight months pregnant; Esmeralda Niton, 29 years old, married; Tessa Niton, 18 years old, single; Lito Mendoza, 7 years old; Elsie Albay, 33 years old, married; Jason Albay, 4 months old; Analie Tawasio, 33 years, single; and, Magdalena Marcos, 58 years old, married, all residents of Barangay [village] Malabutay.

Victims were also rushed to the Southcom Hospital and to at least three other hospitals in Zamboanga City.

At present, military and police investigators are probing the cause of the fire.

When asked by newsmen as to whether it might have been the handiwork of terrorists, Colonel Balajadia said necessary precautionary measures were taken to ensure the safety of the camp. Military officials, who requested anonymity, confirmed earlier threats from extremist groups to attack the Logistics Camp in Malabutay.

That's about all that we have at this point in time here in Zamboanga City.

This is Ed Banos from FUBC TV-9.

[Panganiban] *Yes, Ed. You said off air that there are already nine victims.*

[Banos] *You listed eight, okay?*

[Panganiban] *From what....*

[Banos interrupting] *I'll just add on the latest one, there's an Uraya Idno.*

[Panganiban] *Is this a fatality?*

[Banos] *Victim*, all these are wounded people.

[Panganiban] *The fatalities, have they been identified?*

[Banos] There is none. Until now, we cannot tell because *accordingly, this dead boy was brought to the Southcom Hospital.* We do not have access right now. *At this point in time, we cannot access that because the camp was closed.*

[Rey Pacheco, DZBB newscaster] Excuse me, Ed. This is Rey Pacheco. Ed, clarification. How many civilians are dead?

[Banos] There is already one.

[Pacheco] How many are dead?

[Banos] Earlier, *we managed to interview the PIO [Public Information Officer] of Southcom, Major Cobarrubias. He confirmed one.*

[Pacheco] A child?

[Banos] *An eight-year-old boy* is dead. But we were not able to obtain the identity because *right after they picked up the body, they put it in a military ambulance and they (?trucked) him to the hospital in Southcom.*

[Pacheco] These victims are only the wounded ones?

[Banos] Yes.

[Pacheco] Nine are wounded, one is dead. Is this what happened? Because this is already 10.

[Banos] *Okay. This is only, [pause] let me qualify that. This is only from one hospital. This is our medical center. Others were reportedly rushed to other private hospitals and the Southcom Hospital. The numbers...*

[Pacheco, interrupting] So this means we are expecting victims from other hospitals.

[Banos] *Correct, Rey. That's right, Rey. We can't get a head count as of now because they're still at the site, they're still reviewing, they're still combing the area, all the houses* because they were ordered to evacuate. We cannot tell if there are still wounded people remaining inside the area.

[Pacheco] Ed, was it true that there was fire first before the explosion?

[Banos] *Yes, incidentally, at five minutes to 12, a fire call was received here in our police station which was transmitted to our fire station, five to 12, at that particular (?cap).*

[Pacheco] So there seems to be fire first.

[Banos] Yes, there was something burning.

[Pacheco] *What particular area* was burning?

[Banos] *This was the storage area for disposable ammunition.*

[Pacheco] So the problem now is to investigate what caused the fire which caused the explosion.

[Banos] Yeah, which caused the explosion.

[Pacheco] So that is clear now, Ed. *So we expect more details of your story* right?

[Banos] *Okay, we'll keep you posted Rey from time to time.*

[Panganiban] Okay, thank you very much Edgar Banos.

[Banos] *Thank you. We'll call you back if we have anything else more from this end, okay?*

Interview With Congresswoman

BK2106074995 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0651 GMT 21 Jun 95

[Telephone interview with Zamboanga Congresswoman Maria Clara Lobregat in DZBB studio by Tina Cassandra Panganiban, DZBB reporter — live; in English]

[FBIS Translated Excerpt] [passage omitted on introduction about interviewee] [Panganiban] Good afternoon, Ma'am.

[Lobregat] Yes, good afternoon.

[Panganiban] We have news here in Manila that the MNLF [Moro National Liberation Front], in the preliminary peace talks with the government, wants to have control over the entire Mindanao region. What's your reaction to this?

[Lobregat] Well, I hope our members of the Philippine panel will understand that that can never be. So, let's wait and see what the Philippine panel, and what will really come out of this. And I am sure that Misuari [MNLF Chairman Nur Misuari] himself knows that this can (?never) happen. Hello?

[Panganiban] Yes Ma'am, go ahead.

[Lobregat] Well, I thought that you called me because we just had an explosion here.

[Panganiban] Yes Ma'am, about that also. What's the development on that Ma'am?

[Lobregat] Well, this happened in Malabutay, that is where the Logistics Command is. And well, so far, I know there were five victims that were brought to the Zamboanga Medical Center. I don't know about the other hospitals. But these victims are all victims of splinters, you know? And one woman, a pregnant woman, of eight months pregnant, her left arm was, had a fracture and a big cut. And there others, there's one child, and two or three other women. And all have, all, you know something like you're hit by a shrapnel. But so far, it's a little bit under control.

Now, as to why this has happened, we still don't know. I'm also trying to find out.

[Lito Villarosa, DZBB newscaster] What time did the explosion happen?

[Lobregat] At 1210.

[Villarosa] At 1210, okay.

[Lobregat] Yes, 1210.

[Panganiban] So, there were five victims.

[Lobregat] I brought one, because I was very near that place. I was in Vista del Mar. And well, if anyone of you is, knows Zamboanga, this happened, you know, the Logistics Command is in Malabutay which is on the upper side of where the Southcom [Southern Command] is. And when this happened the splinters were even seen fall into the sea.

So, you can see how strong the whole thing was. Some houses that have glass, everything was shattered.

[Panganiban] What was it that exploded, Ma'am?

[Lobregat] Well, the bombs that the military have in the camp and I don't know what other things. These are, let's say their arsenal or whatever.

[Villarosa] So, what caused the explosion, Congresswoman?

[Lobregat] We still want to find out. They have not told us about what had happened. But I'm continuously trying to call up to, I have also some people go and find out what really is the reason.

[Villarosa] Thank you so much, Congresswoman.

Thailand

EU Dumping Charges Could Threaten Relations

BK2106070895 Bangkok BANGKOK POST in English 21 Jun 95 p 17

[Report by Somphon Thapanachai]

[FBIS Transcribed Text] Thailand has taken an aggressive stance on dumping charges by the European Union, calling several of them groundless and sending a strongly worded letter to EU Trade Commissioner Sir Leon Brittan.

Acting Commerce Minister Uthai Phimchaichon told Sir Leon that if the EU continues to file these actions, it could jeopardise trade relations and force Thai firms to look for alternative markets, particularly in the Asia-Pacific Rim.

Thai exporters have been hurt by a number of EU dumping actions initiated under the World Trade Organisation.

The WTO allows importing countries whose industries may be injured by cheap imports to collect an anti-dumping duty on those imports if the country can prove that the import price is actually lower than the domestic price in the exporting country.

The Thai view is that Thailand has become a large and expanding market for EU products, enabling many EU industries to weather the recession in Europe. Thailand feels the EU should take this fact into consideration.

The EU has filed 15 dumping cases against Thai exporters in recent years, in sectors ranging from textiles and electronics to footwear.

At least some of those cases have been initiated without full information, leading the Thai Government to conclude that the anti- dumping instrument is "a thinly veiled guise for protectionism," as the letter put it.

Some Thai officials have argued that EU industries, unable to compete with imported products from third countries, have initiated the complaints, asking their governments to launch anti-dumping charges.

The EU has also recently initiated charges against other ASEAN countries and China which can make cheaper products.

Representatives of Thai industry have said they feel EU markets now create more problems than opportunities because once anti- dumping cases are initiated, they hurt Thai exporters regardless of the ultimate verdict in the cases.

The Government has sided with industry because it concluded that most of the anti-dumping cases lodged by the EU seemed to be based on weak or inaccurate information.

For example, the investigation on alleged dumping of polyester fabric was launched on the basis of supporting evidence which had been altered by hand. Both the Government and the Thai Textile Manufacturing Association have called this unacceptable.

The Government has also pointed out that dumping complaints have been initiated on glutamic acid, polyester yarn, fitting pipes and magnetic diskettes even though Thailand's market share in these categories is the smallest among countries exporting to the EU, ranging from 1-3 percent. Such a small market share could not affect EU industries.

In the letter to the EU trade commissioner, the Government asked both the EU Trade Commission and EU member states to examine all relevant information before announcing and initiating these anti- dumping cases.

Meanwhile, the offices of the Thai commercial counsellors in EU states have been urged to relay information from Thai industries to local EU authorities so both sides have more accurate data with which to judge allegations lodged against Thai exporters.

Thailand has also asked the EU to adopt a prior warning system to inform Thai authorities at the initial tabling of such complaints. This system has been applied by the commission to certain Third World countries.

Thai industries have also complained that EU questionnaires on production costs have been designed for major companies and not for smaller Thai companies which must prepare this information manually.

Though the Anti Dumping and Countervailing Duty Bill of Thailand is still waiting to be read in Parliament, Thailand is already equipped with regulations to investigate the dumping of foreign products here.

Agreement To Open Consulate In Laos Reached

BK2106034295 Bangkok BANGKOK POST in English 21 Jun 95 p 6

[Report by Nutsara Sawatsawang in Nong Khai]

[FBIS Transcribed Text] Bangkok and Vientiane have agreed that the Thai consulate to open in Savannakhet will cover six provinces from central to southern Laos, while Laos' consulate in Khon Kaen will cover the 19 northeastern provinces of Thailand.

Thai Ambassador in Vientiane, Somphan Kokilanon, told reporters the agreement was reached at a two-day meeting to evaluate the Thai- Lao Friendship Bridge one year after its opening in April 1994.

The meeting, organised by the Thai Embassy in Vientiane, was co- chaired by Mr Somphan and Soutsakhon Pathammavong, director-general of Laos' Consulate Affairs Department.

The agreement will be placed before the Cabinet of both countries for approval, said Mr Somphan.

The six provinces which the Thai consulate in Savannakhet will oversee are Attapeu, Khammouane, Saravane, Pakse, Sekong and Savannakhet.

In addition to issuing visas, the consulate will also support trade between Thai businessmen and the six Laotian provinces.

At the meeting, both sides also discussed how to handle ownership rights of the land for the consulate.

The Thai private sector in Khon Kaen last April offered a five- rai land plot to the Laotian government, but Thai officials tried to bargain for a bigger plot in Savannakhet saying the land price in Khon Kaen was much higher and should be used as the scale to measure the size of the land in Savannakhet.

Officials on both sides will refer the matter to their respective Cabinets for consideration.

"We want to use the reciprocal procedure. If Thailand gives a plot of land to Laos, we would like the same. But whether the size is the same or not depends on the value' of land, which can be negotiated later," said Mr Somphan.

On the issue to facilitate movement of goods and people Thailand proposed that "a special border pass" be issued for non-residents of Khon Kaen to enable them to enter and remain in Laos for a certain period of time, without a visa.

A Foreign Ministry official said the proposal was being practised between Thailand and Malaysia, and is being worked out with Burma.

Mr Somphan said the issue has been referred to a higher level — the Thai-Lao Joint Commission. At present, Thai tourists and businessmen who want to spend more than three days in Laos must apply for a visa at the Laotian Embassy in Bangkok.

Burma Launches 'Boycott' of Thai Products

BK2106063695 Bangkok THE NATION in English 21 Jun 95 p 1

[Report by Somchit Rungchamratsami of the Nation]

[FBIS Transcribed Text] Mae Sot — Burmese authorities in Myawaddy have launched a campaign urging local people to boycott Thai products and purchase goods from China, Indonesia, Malaysia and Singapore, Thai businessmen said.

Anti-Thai leaflets, which were said to have been produced in Rangoon, were being distributed to public and civil servants at government offices in this eastern Burmese border town opposite Thailand's Mae Sot District, they said.

Posters were also said to have been put up in several public places urging the boycott.

No official explanation was given for the campaign, but some businessmen in Mae Sot suspect the move was initiated to help promote local products manufactured in the country by foreign investors from Indonesia, Malaysia and Singapore.

Thailand and Burma have been at odds following several border incursions and the alleged safe haven provided to ethnic Burmese groups in both countries enabling them to carry out attacks across the border.

Several Burmese traders, who regularly cross into Thailand on business said they did not think the campaign would succeed because people, including senior government officials, still preferred Thai products.

"Thai goods are better in quality, and they have been very popular among the Burmese people for a long time," one trader said.

Burmese sources in Myawaddy said the leaflets and posters were produced in Rangoon and dispatched to several Burmese border towns for distribution.

The sources said acquiring Thai goods was still legal and the ruling Burmese junta was merely asking the public to promote everyday products and basic necessities locally manufactured by foreign investors.

Suchat Triratwatthana, general secretary of the Tak Chamber of Commerce, said he did not believe the campaign would affect the sale of Thai goods to Burma because most of the customers were from the country's middle-class.

But he said the campaign could have a psychological impact on the Burmese people in general.

"The majority of those living at grassroots level do not buy Thai products; only the middle class have the purchasing power. But the move could have psychological effects on the population in general," Suchat said.

The Tak Chamber of Commerce, he said, would not take any action over the campaign because the issue was a domestic affair.

However, it would suggest to local Phalang Tham MP Udon Tantisunthon the establishment of several committees to help resolve a number of pending Thai-Burmese disputes and disagreements, including the sudden halt to construction of a bridge linking Mae Sot and Myawaddy, he said.

Mae Sot traders have cautioned the Thai government and the private sector against raising too many hopes of economic opportunities in Burma, saying Thai businessmen and investors were still lagging behind those from other countries in terms of trade and marketing strategies.

They said the anti-Thai campaign was another move by foreign investors in Burma to break the Thai monopoly among the Burmese middle class. The investors were also targeting low-income earners, they said.

Editorial Supports Calls for Political Reform

BK2106072495 Bangkok BANGKOK POST in English 21 Jun 95 p 4

[Editorial: "Political Reform Only Real Way To Achieve Maturity"]

[FBIS Transcribed Text] Of late, political pressure groups have been demanding commitment to political reform from parties contesting the July 2 election. Calls for political reform, first initiated by the so-called Democracy Development Committee and now actively pursued by the Student Federation of Thailand and other pro-democracy groups, are gaining momentum.

A forum is scheduled this Sunday for the public to hear explanations from the "brains" behind the call for political reform. A campaign will be launched to enlist public support for the reform and signatures of supporters will be collected for submission to the Parliament President. Another forum, organised by the Student Federation of Thailand (SFT), is scheduled next Wednesday at Thammasat University for political parties to state their policies and, more importantly, to make some sort of "social contract" which is intended to commit them to political reform after the election.

Responses to the Democracy Development Committee's blueprint for political reform are mixed. Phalang Tham Party, for instance, said it is committed to political reform and pledges to push for amendment of Article 211 of the Constitution to facilitate rewriting of the charter. Chat Thai leader Banhan Sinlapa-acha has also joined in with the reform sentiment, saying his party would set up an independent organisation to monitor the behaviour of politicians. He also promised other reforms. The Democrat Party voiced support for political reform, but is reluctant to commit itself to a "social contract."

A requirement of commitment to political reform by political parties is something unprecedented in Thai political history and well worth pursuing. It should also warrant support from the public in light of broken promises from parties and candidates after previous elections. Countless pledges have been made by politicians during the run-up to the July 2 election, but the likelihood is that many of these are just empty promises intended to appease the voters and that they will be forgotten or left unfulfilled once they get elected.

If parties and their candidates are genuinely committed to political reform or other aspects of reform such as social and economic reform, there is no reason why some of them should be afraid to enter into some sort of "social contract" to commit themselves to such reforms. Of course, it is not necessary for the parties to subscribe to the Democracy Development Committee's blueprint for political reform in its entirety. To agree to the formation of a special panel to amend the charter would be a good start.

Politicians must always be reminded that the public has the right to demand a firm commitment from them. After all, the public should no longer be taken for granted as they have in the past by honey- tongued politicians.

Democratic rule in this country has always been blighted by political instability. It also seems to be trapped in a vicious circle that keeps repeating itself — either a democratically- elected government was brought down by the military in a coup d'etat or collapsed on its own because of internal feuding among coalition parties. This chronic problem has its root cause in the existing parliamentary system which is not only obsolete, but also badly flawed.

As in the previous elections, the July 2 poll will usher in a parliament and a government which cannot expect to function effectively and efficiently as most voters are hoping. Whether the next prime minister will be Mr Chuan Likphai of the Democrat Party or Chat Thai leader Banhan Sinlapa-acha or a third alternative, the fact is that the face of Thai politics will remain largely unchanged.

The money dumping in electioneering which has reached the point of obscenity will produce the same kind of politicians in the new parliament — the kind which regards national interest as secondary to the interests of their parties or themselves; the kind which will fight for political seats with no regard for political instability which may result from their act. And again, the next prime minister will be caught in the same dilemma confronted by his predecessors. That is he is merely a party leader who has to tread carefully in order to keep the coalition government intact by compromising the interests of coalition parties. Certainly, not a government leader who is decisive, who is above party politics and who is supposed to lead the country to prosperity.

Unless there is a real political reform of our political system with the cooperation of all parties concerned, we will experience a continuation of the same type of administration which is characterised by corruption, inefficiency, lack of leadership, internal feuds and instability. And if that is what we want, any election is rendered meaningless and a total waste.

Cabinet Banking Package To End 'Banking Cartel'

BK2106063395 Bangkok THE NATION in English 21 Jun 95 pp 1, 3

[Report by Surachai Chuphaka]

[FBIS Transcribed Text] The Cabinet cleared the path yesterday for five new commercial banks to be set up in an attempt to break the banking cartel that has been present for 40 years.

Acting after receiving the endorsement of the Thai commercial banking sector, the Democrat-led Cabinet faced no opposition from ministers in passing the term of reference under which five new banks would be formed.

After testing the water in May about his intention to end the banking cartel, Finance Minister Tharin Nimmanhemin was determined yesterday to see the banking liberalization package, his brain child, sail through the Cabinet. Chat Phatthana ministers raised no objections.

The package is based on a Financial System Masterplan which was approved by the Cabinet on Feb 28 this year, aimed at strengthening financial institutions, adding more players in order to create more competition and, above all, turning Thailand into a regional financial center.

In line with the Democrat's income distribution policy, the regulation requires the new banks to set up their headquarters in the provinces, where the Bank of Thailand already has branch offices and plans to open new ones.

The government will accept applications from July 1 to Oct 31. Afterwards a high-level committee would decide which bidders receive the licenses, Associated Press-Dow Jones quoted Government Spokesman Akkhaphon Sorasuchat as saying.

"By April next year, they'll probably decide who is qualified and a decision would be made," Akkhaphon said.

A party wishing to form a new bank could be either a finance company, a finance and securities company or a large corporation. It must be willing to plough in at least Bt7.5 billion in initial capital to start the operation.

The core shareholder and its allies must together hold no more than 50 per cent of the share capital of a new bank. Of this, the regulation requires that the core shareholder must hold no more than 10 per cent, and its allies not more than 5 per cent each.

Of the remaining 50 per cent stake which must be available to the public, 10 per cent must be offered to local people living in the province where the bank locates its headquarters.

A finance or finance and securities company wishing to become a core party in a bank must have at least Bt 10 billion in assets and Bt2.5 billion in shareholders' equity. Foreign share-ownership of the core investor companies must be less than 15 per cent and profits must have been reported for three straight years.

This set of regulatory requirements is similar for a corporation wishing to become a core party in forming a new bank.

The package also prohibits cross-shareholding among parties forming a group in order to apply for a commercial banking license. A foreign bank wishing to participate must hold not more than 25 per cent as a group or 5 per cent individually.

Clean portfolios were needed for the Bank of Thailand when a new bank moves to name its chairman, executive chairman, president and senior executive vice presidents, who must all have a proven ethical background.

The Cabinet ruled that although the government sets the limit at five new banks, it reserves the right to award licenses to less than that number, depending on their qualifications.

Tharin's move to open up the banking sector was intended to end the present family-style banking practice, and introduce new players into the market to add more competition, as well as to shut the door on established banks wishing to have a hand in forming new banks.

At present, there are 15 local commercial banks, which virtually dominate all aspects of the Thai economy by the power of their purses. The lack of competition enables the banks, particular the bigger ones, to enjoy more than a 4 per cent spread, the difference between deposit and lending rates.

It appeared yesterday that the Bank of Thailand was ready to support the new banks if they found the conditions too tough. But Phisan Manolihakun, research manager of the Thai Farmers Research Institute Co, said the conditions should not be too tough to implement.

"What would the point be if the authorities had to relax the conditions later if no one was able to initially comply with them," he said.

Phisan said only significantly large concerns would be able to meet the requirement to have registered capital of Bt7.5 billion. The new banks would need between three and five years to become competitive with the already established institutions.

He said it would be more sensible to become a large finance firm than a medium or small-sized bank.

"If a large finance firms' motive for becoming a bank were solely because of profit, they could be disappointed as the competition is stiff and profits are not guaranteed."

Dr Nimit Nontapunthawat, Bangkok Bank's senior vice president in the research department, said the particular rule requiring a new bank to become listed on the stock exchange three years after establishment was tough.

"This means new banks must do wholesale banking. Without an adequate network, they may not be able to list themselves on the market in time if they just pursue retail banking."

Nimit said the regulations should clearly state which type of investors the shares in any finance firm's portfolio would be sold to. The regulations also required that a finance firm holding bank stocks in their portfolio must sell them within five years and vice versa. Unless they complete the transaction, banks are to remain a silent partner.

Dr Thira Atsahakun, vice president of the research department at the Industrial Finance Corporation of Thailand said the new banks would reduce the cartel power currently enjoyed by the 15 present banks.

Unlike Phisan, Thira said although the regulations were quite rigid, he thought the authorities would relax them later.

Vietnam

Commentary Expects New Events in U.S. Relations

BK2006114295 Hanoi Voice of Vietnam in English 1000 GMT 20 Jun 95

[Station commentary]

[FBIS Transcribed Text] At present in the capital of Hanoi, there is an empty large site at the number 21, Hai Ba Trung Street, which has been fenced. This is not for the construction of a new hotel or an office of any joint venture of foreign company. It is the site planned by the Americans to build their office and building. People call it A Waiting State. On this issue, our radio editor raises a question: When will the name Waiting State be removed?

The reply is on the side of the United States. Last week, U.S. Secretary of State Warren Christopher formally recommended that President Bill Clinton establish full diplomatic relations with Vietnam. Many comments have been made since this is the last chance for the United States to establish diplomatic relations with Vietnam. But many others opposed. Some even took extreme actions as former Senator [title as heard] Bill Hendon when he handcuffed himself to the gate of the U.S. MIA Office in Hanoi to affirm that there remains American prisoners being detained in Vietnam. He hopes that his method will obstruct the White House to establish diplomatic relations with Vietnam. Is Mr. Bill Clinton able to overcome such action to make a timely decision on U.S. relations with Vietnam?

The MIA issue is in fact an internal political issue of the United States. Originally it has not been decisive issue in relations between the United States and Vietnam under the Ford and Kissinger administration. But all the successors' administrations have made use of this psychological and political issue in their election campaigns. However, since early 1990 the United States started to readjust its strategy, and beside the MIA issue, the United States has been concerned over Vietnam for economic interests.

The start of the process of normalization of relations between the two countries was made since the Bush administration. A number of positive actions toward Vietnam have been taking under this administration such as the United States did not oppose other countries help Vietnam to get loans from the World Bank. [sentence as heard] In February this year, President Bill Clinton decided to lift the trade embargo against Vietnam, and of late the two countries officially opened liaison offices in the two capital cities. Then the United States supported Vietnam to join ASEAN. These are steps of great significance on the road toward normalization of relations between Vietnam and the United States, putting an end to the nearly 20 years of unofficial relations between the two countries.

American businesspeople who are doing business in Vietnam feel very happy about this progress. Twenty years ago when the United States in Vietnam just ended the five-year-long negotiation in Paris, Dr Henry Kissinger stated that the best way to ensure a real peace was improvement of relations between the two countries. We have a lot of suffering. I want to say we were determined to do all we could to improve relations between the two nations.

But one fifth of a century has elapsed. Mr. Henry Kissinger's determination has not been realized. Looking back at history, French President De Gaulle once praised and kissed German Chancellor Adenauer, leaving behind three wars between France and Germany. Vietnam welcomes the French President Mitterrand, who bowed to fighters who laid down their lives in Dien Bien Phu for the victory of anti-French war of resistance. The United States has left Pearl Harbor deep in their memory to develop relations and cooperation with Japan. There have been a few reconciliations as the one between Vietnam and the United States, because there remains people who want to fish in troubled waters in the United States-Vietnam relations. Therefore steps of development in the future and reconciliation between the two nations will not be easy.

However, people are waiting for new events in the relations between the United States and Vietnam. The discussion on Vietnam at the U.S. Congress is scheduled to be held next week on 26-27 June, and the visit to Asia and Vietnam of Secretary of State Christopher is also scheduled for August. There will be dramatic moments for the waiting site in Hanoi.

More Foreign Investment in Agriculture Sought

BK2106010395 Hanoi VIETNAM ECONOMIC TIMES in English Jun 95 p 35

[Unattributed article: "Pitching for Funds"]

[FBIS Transcribed Text] Vietnam has made a pitch to foreign investors for more than $1 billion by the year 2000 to build up its agriculture, fisheries and forestry sectors.

Improving still-backward agriculture is a vital part of the country's plans to increase overall economic growth at an average 10% to 12% per year over the next five years, top officials told a seminar for foreign business people.

The government offered tax, land rental and other incentives to foreign investors in agriculture and was considering more, they said.

"For the long term, agriculture will continue to be a major industry of strategic importance to Vietnam," Agriculture Minister Nguyen Cong Tan said, laying out plans for investment totaling $1.78 billion to develop key farm sectors.

They include $800 million for livestock breeding, $500 million for rubber, $200 million for food production, $40 million each for silk and for tea, $20 million each for coffee and for cashew nuts, and $5 million for cotton.

Plans include:

Rice and food production: Raising annual output to 32 million tonnes in 2000 from 26 million tonnes, maintaining reserves for security in the staple food while increasing the quantity and quality of exported rice to two million tonnes a year. Classifying and sorting plants are planned in the Mekong and Red River deltas.

Coffee: Investment is needed in deep cultivation to increase productivity and quantity, expanding to 40,000 to 50,000 hectares of arabica. Vietnam produces about 150,000 tonnes, mainly robusta. New processing units are needed.

Rubber: Investment is needed to add 30,000 ha [hectares] to the existing 80,000 has under tea to yield 70,000 tonnes of dry tea buds, and to improve processing capacity.

Cotton: Investment is needed for seed producing plants and two new processing centres.

Priorities from 1996 to 2000 include ensuring continued food security, expanding the food processing industry, expanding fish farming, developing forestry industries, maintaining forest cover in all developing forests on vacant land and bare hills.

Sugar: Investment is needed to expand the production area, plant new seeds and to expand and build many new sugar mills to increase processing capacity to 55,000 to 60,000 tonnes of sugarcane a day from 14,000 tonnes now.

Deputy Prime Minister Tran Duc Luong said agriculture, fisheries and farming accounted for 26% of the economy, down from 37%, in 1991.

Reform Targets Administration Weaknesses

BK2106005995 Hanoi VIETNAM ECONOMIC TIMES in English Jun 95 p 47

[Article by Pham Quang Le, executive member of the Advisory Group to the prime minister: "Administrative reform?"]

[FBIS Transcribed Text] Administrative reform is turning the spotlight on the most glaring weaknesses of the state's apparatus. They are: bureaucracy, dispersed power, corruption and waste, a cumbersome and malfunctioning apparatus and incompetent personnel.

Although some changes have recently taken place, administrative reform has not kept pace with the speed of economic growth and has thus become one of the main constraints on economic reform.

We need to do two things: satisfactorily settle the relationship between the state and the people and that between the state and the market economy.

Five points should guide us in this regard:

- to make basic improvements in administrative procedures;
- to handle in a satisfactory way claims and complaints lodged by the public;
- to continue to develop and complete new economic laws;
- to tidy up the legislative process; and
- to upgrade law enforcement and firmly uphold order and discipline.

By checking and changing administrative procedures, it is possible to detect inconsistencies and cases of unlawfulness among officials blocking doi moi.

Efforts are being focused on accelerating the reform of administrative procedures in seven key areas:

- budgetary allocation and investment funding;
- allocation of land and the granting of construction permits;
- imports-exports;
- foreign investment;
- granting of business licences;
- immigration and emigration;
- dealing with claims and complaints lodged by the public.

We have to clarify who's responsible for what. For example, when it comes to handling complaints lodged by the public, we need to ensure a two-way flow of information between the population and the state.

One of the most important things is to enact and enforce the civil code. Others are the development of a budget law, the establishment of a public fund and properties management body and to overhaul auditing and accountancy.

The rules covering state-owned enterprise management will be based on establishing a clear division between two categories of enterprise: those that are profit-oriented and those that provide public services, ie: utilities.

This is the basis for stepping up "equitisation" (privatisation) and creating a number of strong state corporations.

Regarding the legislative process, we should improve the division of responsibilities and co-ordination between the National Assembly and the government and gradually cut the number of ordinances. We should increase the number of documents issued by the government while reducing the enactment of ministerial and local governmental legislative documents. Laws must be uniform, consistent and must be promulgated in a timely fashion.

In addition to the above five urgent problems, we also have to re-organise the apparatus.

There are two major jobs here: to reduce the number of government bodies in line with roles that they realistically have to play in the market economy, and to clarify the roles of the people's councils and peoples committees and their relationship with the National Assembly and the government.

Lastly is the development of a body of loyal public servants who are not corrupt and who operate under a civil servants' statute.

If concrete results are achieved, it will be possible to disentangle the immediate impediments in the way of further progress and create the preconditions for far-reaching reforms.

Report Views Role of Mass Media in Reforms

BK2006122695 Hanoi VNA in English
0641 GMT 20 Jun 95

[FBIS Transcribed Text] Hanoi VNA June 20. — There is no denying that remarkable progress has been made by the Vietnamese press and mass media as a whole to keep pace with the Doi Moi (renovation) process which began nine years ago following the sixth national congress of the communist party in 1986.

This view is shared by all major newspapers in Hanoi today on the eve of the traditional day of the Vietnamese Press (June 21). Vietnam now has 375 printed press organs that have produced various kinds of journals and newspapers including dailys, weeklys, bi- weeklys, monthlys and quarterlys. Of these, 225 newspapers and journals are published by central organisations of the party and government offices, ministries and agencies as well as different mass organisations and social institutions. The other 198 are turned out by local administrative and party offices and mass and social bodies in all the 53 provinces and cities around Vietnam.

On the other hand, radio and televised media organs have been on the rise with 54 central and local radio stations and 45 television centres including relay stations at both central and local levels. It is estimated that there are 10 million radio sets and five million tv sets in Vietnam at present. According to a recent survey, 75 percent of public employees read newspapers every day, 84 percent of the urban population listens to the radio, and another 82 percent of them watch television daily. However, rural inhabitants have not been provided with sufficient access to both printed and oral media due to a lack of money to buy radio and tv sets as well as a shortage of newspapers and a lack of distribution systems.

A large number of printed products have so far been circulated in the big cities such as Hanoi, Haiphong and Ho Chi Minh City. In Hanoi, over the last five months, almost 10 million copies of diverse newspapers and magazines have been distributed to readers, one million copies higher than the corresponding period last year, or 60,000 copies per day.

In addition to the rise in number and better distribution compared with the period prior to the renewal process, there is no doubt that significant changes have been effected in terms of content of the mass media which are now gaining more and more readers, viewers and listeners of different walks of life.

In the past, most of the mass media gave favourable accounts, only reporting positive things, making each bulletin or programme almost identical in content and delivery. But nowaday, every thing has changed, as the media is much closer to the daily situation, communicating information of interest to reader and viewer. Party General Secretary Do Muoi has said that no one can say there is an absence of press freedom in vietnam if he (she) has access to Vietnam's mass media today.

However, in the Doi Moi process the Vietnamese press has been affected by a trend of commercialisation, and there is still some conflicting information reported by the mass media.

There are also some problems in terms of advertisements in both the printed and oral media, but this is also a relection of what has arisen from the market-oriented economy now prevailing in all parts of the country.

Preparations for Party Organization Congresses

BK2006161195 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 19 Jun 95

[FBIS Translated Text] As of the end of May, all provincial and city party committees have held conferences of party committee members and cadres. The conferences were held to study Directive 51 of the party Central Committee Secretariat on party organization congresses at all levels and a party Central Committee Organizational Department's manpower plan for those executive committees of provincial, city, precinct, and district party organizations serving the 1996-2000 term of office. These conferences were also organized to devise a plan to hold local party organization congresses at various levels. Last May, 38 provincial and city party organizations and 35 organs, offices, and sectors at the central level reported having held discussions to contribute their views on a draft report, which will review party building activities.

Leaders Attend Press Day Celebration in Hanoi

BK2106070695 Hanoi Voice of Vietnam in English 1000 GMT 20 Jun 95

[FBIS Transcribed Text] A meeting to celebrate the 70th anniversary of the Vietnam Press Day and 45th founding anniversary of the Vietnam Journalist Association was held in Hanoi Tuesday. The meeting was graced by the presence of National Assembly Chairman Nong Duc Manh, Prime Minister Vo Van Kiet, General Vo Nguyen Giap, and other party and state leaders.

The meeting was also attended by representatives of ministries, branches, mass organizations, mass media, and diplomatic corps in Hanoi.

Speaking at the ceremony, President of the Vietnam Journalist Association and also Vice President of the Organization of International Journalists Mr. Phan Quang pointed to the significance of the Vietnam Press Day, June 21.

Seventy years ago on June 21, the newspaper YOUTH, the first revolutionary paper founded by President Ho Chi Minh, came off the press. On the development of the press in the new period, Mr. Phan Quang said:

[Begin Phan Quang recording in Vietnamese fading into English translation] The Association has helped train journalists in the themes of politics, knowledge, profession, reality, and virtue to fulfill their tasks. Together with other competent agencies, the association has studied and made recommendations to state on policies and the law on communications and press, creating favorable socioeconomic and legal environment to the development of the Vietnamese press in the period of modernization and industrialization. Vietnam at present has 376 mass media and reviews with 360 circulations [sentence as heard]. The Vietnam Journalist Association has memberships of 7,260. The Vietnamese press is now in the period of renovation both in terms of quantity and quality. An atmosphere of democracy and freedom among the press prevails. Journalists are respected and have a high position in society. [End recording]

On behalf of the party and state, Mr. Dao Duy Tung, secretary of the Central Committee of the Communist Party of Vietnam commended the Vietnamese press for its contribution to the national struggle in the past as well as the national construction and defense at present. He expressed the hope that the press will further contribute to the success of the renovation and making the country strong and the people rich.

Defense Minister Visits 3d Military Region

BK2006162495 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 19 Jun 95

[FBIS Translated Text] According to VIETNAM NEWS AGENCY, Senior General Doan Khue, member of the party Central Committee Political Bureau and minister of national defense, paid a working visit to a number of localities and units in the 3d Military Region from 15 to 17 June.

Senior General Doan Khue had a working session with the Command Committee of the 3d Military Region.

In Haiphong municipality, Senior General Doan Khue heard briefings by Comrade Le Danh Xuong, member of the party Central Committee and secretary of the municipal party committee, as well as other comrades who are members of the municipal people's committee. The briefings were on the situation regarding socioeconomic development and investment cooperation with foreign countries in Haiphong over the years and on the municipality's plan of action for the coming period.

Comrade Doan Khue was pleased with the overall achievements of the party organization and people of Haiphong, notably in the industrial domain. Sharing his view with local leading comrades, Comrade Doan Khue urged Haiphong to attach continuous importance to the need to link socioeconomic development closely with national defense in carrying out economic development. While developing industrial complexes, it is necessary to pay great attention to protecting beautiful landscapes and the environment. Comrade Doan Khue also expressed the hope that Haiphong will become more prosperous economically and stronger in terms of national defense and security.

Senior General Doan Khue visited a marine survey and cartographical team, the Naval Technical Center, and the Navy's 128th Company. He commended the cadres, combatants, and defense workers of these units for having actively overcome difficulties and devoting themselves to mastering various scientific and technical means to surge forward and safeguard the fatherland's territorial waters and sovereignty.

Senior General Doan Khue also inspected the combat readiness of the B-63 Air Defense Division. He commended the division for its sense of vigilance, combat readiness, and standardization efforts. Speaking to representatives of the division's cadres and combatants, the senior general pointed out the division's important duty, saying that it is responsible for firmly safeguarding the fatherland's airspace over a large area. Because of this the division must heighten its revolutionary vigilance, steel its fighting determination, undergo satisfactory training, and satisfactorily master and maintain its combat equipment and hardware to fulfill its assigned mission under any circumstances.

The senior general also urged the chief of the division's political organ to conduct constant indoctrination to make every cadre and combatant understand profoundly and feel proud of their unit's glorious traditions. This should be done so they will be determined to maintain their traditions firmly and build a comprehensively steadfast unit, thus earning the trust of the party and people.

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